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A CENTRAL LINE OF NAVIGATION FROM THE OHIO TO THE CHESAPEAKE BAY

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(Continued from page 127, vol. 59, No. 2.)

OBJECTIONS TO THE RIVER AND GULF ROUTE.

Any reflecting mind would have concluded in 1820, when the success of steamboat navigation had been fully demonstrated on western waters, that the course of western trade was thereby determined; that it would never seek artificial lines of transportation where steam navigation could be applied; but would assuredly prefer the course of the Mississippi river to New Orleans and a market. But no sooner was the Erie canal opened in 1825, than produce from the region of the Mississippi began to seek that route to the seaboard. From the country in the region of the lakes, the new route had the advantage of being much shorter and more direct. From the country bordering upon the Ohio river, other considerations gave trade a northeastward direction towards the canal.

It is a well known fact that almost every article of up-country produce is liable to undergo a sweating, souring, and heating process from the warmth and humidity of the climate of the gulf. The loss in value from this deteriorating cause is sometimes very serious, and always greater or less; being variously estimated at from 5 to 25 per cent. on the value of

produce; except when the transit is made in the winter months. Assuming, however, that the average deterioration amounts only to 5 per cent on bacon, lard, butter, tobacco, and ten per cent on wheat and flour, we have an average loss of $7 50 per ton on the former class of articles; and of $5 per ton on the latter; a sum which is sufficient to give the control of this trade for most of the year to northern routes. The addition of these items to the comparative estimates of cost of transportation by various routes, given in the report of Mr. Lorraine and the memorial of the Iowa legislature, would make a still greater difference in favor of the Virginia route over that by way of the gulf.

Besides the objection of climate, there are dangers in the navigation of the Mississippi, from snags and other casualties. During the last twenty-five years much has been done to relieve this evil; but the high rates of river steamboat insurance still attest the magnitude of the dangers attending the navigation of the river. Mr. Barrow, in a report to the Senate of the United States in 1843, stated the amount of the losses on the Mississippi and its tributaries, from snags alone, at a million of dollars per annum.

The navigation of the gulf of Mexico is subject to the sudden storms and hurricanes incident to the West India climate. In his speech at the Memphis convention in 1845, Mr. Calhoun said on this subject: "With all the advantages possessed by the coasting trade between the gulf and Atlantic, be it ever so well secured against interruption, there is one great objection to which it is liable. The peninsula of Florida projects far south; which makes the voyage from New Orleans and the other ports of the gulf to the southern Atlantic cities, not only long and tedious, but liable to frequent and great accidents in its navigation. A voyage from this place (Memphis), for instance, to Charleston, would be a distance of certainly not less than two thousand five hundred miles, and is subject to as great losses as any voyage of equal extent in any part of the world. It was estimated some dozen years since, that the actual loss between Cuba, the Bahama Islands and Florida, was not less than half a million of dollars a year, and it may now, with the great increase of our commerce, be put at not less than a million."

These dangers, coupled with those incident to the navigation of the boisterous coast of the Carolinas, and combined with the great length of the voyage from St. Louis to New York of 4,000 miles, make up a most imposing and formidable array of objections to the river, gulf and seaboard.

The far-seeing mind of Chief Justice Marshall perceived the effect of these objections as early as 1812. In his report in advocacy of the Virginia canal line, that eminent man said: "The whole of that exten-

sive and fertile country [the valley of the Mississippi], a country increasing in wealth and population with a rapidity which baffles calculation, must make its importations up the Mississippi alone, or through the Atlantic states. When we take into view the certain growth of the country, we can scarcely suppose it possible that any commercial city on the banks of that river [near its mouth*] can keep pace with that growth and furnish a supply equal to the demand. The unfriendliness of the climate to human life will render this disparity between the commercial and agricultural capital still more sensible. It will tend still more to retard a population of that sound commercial character which would render some great city on that majestic river a safe emporium for the western world."

In answer to enquiries addressed by Mr. Cabell, former president of the Virginia canal, to eminent merchants largely engaged in trade, both in Richmond and New Orleans, he received the following replies. Several persons united in saying, that if the Virginia line should bring trade from the west to tide-water at two cents per ton per mile, (which is quadruple the charge at which it will be brought), it was their opinion "that the following articles would pay all the expenses of transportation and net the grower more in Richmond, than if taken to New Orleans free of charge; say tobacco, flour, pork, bacon, lard, butter, cheese, &c., for the following reasons:

"Independent of the freight down the river to New Orleans, these articles are all materially injured, by passing through a warm and humid climate; at New Orleans they have to pay exorbitant rates of drayage, storage, fire insurance and commission, and when shipped from thence to other markets, are subject to a rate of freight at times 50 per cent higher than from the James river." Genl. Steenbergen, an eminent man of business in the Ohio valley wrote, that "every avenue from the Ohio to the eastern cities at all practicable, and at prices of transportation that can possibly be borne by the shipper, is used in preference to the New Orleans route. It will always be the case. The climate and dangers of the one, against the certainty and even high prices of the other, will make the inland passage the favorite one."

Of late years, the construction at St. Louis and other points, of great stationary steam elevators for transferring grain from boat to boat, and the employment of floating steam machinery for performing the same office from boat to boat while in motion; and the substitution of barges towed in fleets by steam towboats, for the old plan of carrying the freight on the steamboat, has restored to water transportation an undisputed

* The context shows that he referred to an importing city near the seaboard.

superiority over railroad carriage and diminished the objections which formerly existed to the route by the lower Mississippi and the gulf. But the injurious effects of the semi-tropical climate upon agricultural produce, the great length of the circuitous gulf route, and the dangers of the gulf and coast navigation, still constitute enduring objections to that route.

DEFECTS OF THE ST. LAWRENCE ROUTE.

The outlet of the St. Lawrence into the ocean is not less than 1,000 miles northeast from lake Ontario; about 700 miles of the line consisting of the river itself, and 300 miles of the gulf of St. Lawrence, into which it falls. As to its natural features, this line of navigation, in both of its divisions, was accurately described in 1838 by an eminent English engineer and traveler, Mr. Stevenson, who had made a professional tour of observation in the United States and British America. Mr. Stevenson says of this river:

"Receiving the whole surplus waters of the North American lakes, and the drainage of a great tract of country traversed by the numerous streams which join it in its course to the ocean, the St. Lawrence, as regards the quantity of its discharge, presents abundant advantages for safe and easy navigation. The stream of the upper part of this river, however, is much distorted by numerous expansions and contractions of its banks, and also by declivities or falls in its bed, and clusters of small islands, which render its navigation exceedingly dangerous, and in some places wholly impracticable for all sorts of vessels excepting the Canadian batteaux, which are strong flat-bottomed boats, built expressly for its navigation. In several parts of its course the river expands into extensive lakes; and in its waters, which are thus distributed over a great surface, numerous shoals occur, among which the ship-channel is generally tortuous and narrow, and only navigable in day-light. In some places again the St. Lawrence forces its way between high banks which encroach on its bed, and leave a comparatively narrow gullet for its passage: and in others it flows over a steep, rugged bottom. These sudden contractions and declivities interrupt the peaceful flow of the stream, and produce *chutes*, as they are called, or rapids, some of which are wholly impassable for vessels of large size, and others can only be navigated in certain states of tide. The islands, which occur chiefly in the upper part of the river between Montreal and lake Ontario, also disturb the channel, and give rise to rapids which are no less detrimental in a commercial point of view."
—[*Stevenson's Civil Engineering in America.*

The navigation of the river is further embrarrassed by the general and strong current of the river, against which ascending vessels can make their way only by the aid of steam tow-boats of the most powerful description in any of the American waters. Since Mr. Stevenson wrote the rapids and shallows of the river have been flanked by canals and the falls of the Niagara river have been lapped by the Welland canal—all on the British side. The dimensions of these Canadian canals are as follows:

	Length in miles.	Depth in feet.	Size of locks, feet.	Lift, feet.	Number locks.
Lachine	8¼	10	200x45	44½	5
Beauharnais	11¼	10	200x45	82½	9
Cornwall	11½	10	200x45	48	7
Farrand's Point	9¾	10	200x45	4	1
Rapid Plat		10	200x45	11½	2
Point Iroquois		10	200x45	6	1
Gallop's		10	200x45	8	2
Welland	28	10	150x26½	330	27
Total	69			534¾	54

The St. Lawrence canals can pass vessels of 800 tons. The Welland canal can pass vessels of 400 tons. These canals connect the lower river and gulf of St. Lawrence with the chain of the great lakes.

Of the gulf of St. Lawrence, Mr. Stevenson gives the following description:

> The navigation of the gulf of St. Lawrence, through which the river discharges itself into the Atlantic, is very hazardous. In addition to dangers arising from the masses of ice which are constantly to be met with, for nearly one half of the year, it is subject to dense and impenetrable fogs, and its rocky shores and desolate islands, affords neither comfort nor shelter to the shipwrecked mariner. One of the most desolate and dangerous of the islands in the gulf, is Anticosti, which lies exactly opposite the mouth of the St. Lawrence, and is surrounded by reefs of rocks and shoal-water. Two light-houses have been erected on it, and also four houses of shelter, containing large stores of provisions, for the use of those who have the misfortune to be shipwrecked on its inhospitable shores.

In a memorial of citizens of New York, written by De Witt Clinton in 1816, addressed to the legislature of that state, in advocacy of the Erie canal, it is stated that "the St. Lawrence is generally locked by ice seven months in the year, during which time produce lies a dead weight on the hands of the owner." But Mr. Stevenson seems to imply shorter duration of the period of frost by remarking that it continues "for the space of at least five months in the year;" going on further to say: "The rigor of a Canadian winter, covering the face of the country with snow, and congealing every river, lake and harbor, produces a stagnation in trade which cannot fail to have a bad effect on the commerce of the country and the habits of the people, who are compelled to complete their whole business transactions during the summer and autumn months, and remain in a state of comparative indolence during the remainder of the year."

BRITISH PROJECTS IN CANADA.

These difficulties, attending the navigation of the St. Lawrence river and gulf, make that route a feeble competitor for the trade of the great West. Yet British enterprise and capital seem determined to overcome the disadvantages imposed by nature. Not to speak of stupendous railroads constructed from the upper lakes to points on the St. Lawrence, from which they are continued to Portland, Maine, and Boston, Massachusetts, the following plans of water navigations have been projected and are partially in progress.

The principal enterprise is that of a canal on the American side around the falls of Niagara, eight miles in length. It is proposed to make the locks 275 feet long, 46 feet wide, and 13 feet deep on the sills, giving capacity for the passage of vessels of twelve hundred tons.

There are many canals on the Canadian side projected, in progress or completed. The proposed Ottawa ship canal will pass from the easterly

side of Lake Huron up the French River to Lake Nippisingue; from thence by canal across the elevation to Trout Lake, at the head of Mattawaco River, and down it to its junction with the Ottawa, following the latter to Montreal. The length of the canal proper is 37¾ miles, and the whole improvement will cost $24,000,000. A recent location makes a line of canal proper 29.32 miles long, and a route of canal and improved river and lake navigation 401¼ miles in length from Montreal to Lake Huron. It will effect a saving of distance, between Montreal and Chicago, of 842¼ miles over the circuitous route of the great lakes. The locks on this route will be fifty feet wide, 250 feet long and 10 feet on the sills, which will pass vessels of one thousand tons. Lift 665¼ feet.

The Georgian bay and Toronto canal will connect Toronto with Lake Huron by a route only 100 miles long, and 470 feet lift of locks. The locks will be 265 feet long, 55 wide, and 12 feet on the sills, costing $22,000,000. By this route the distance between Chicago and Montreal, compared with that by Lake Erie and Ontario, or by the Welland canal, will be 428 miles less.

OBJECTIONS TO THE ROUTE OF THE GREAT LAKES.

The determined enterprise of the British capitalists and colonists who are undertaking the expensive works in Canada, which have just been described, proves two important facts. It proves how much water transportation is still valued and relied on even in latitudes of frost where canals can be used only about 200 days in the year; and it proves that there is some insupperable objection to navigation on the great lakes, especially those of Erie and Ontario, which it is of great importance to avoid, by shorter lines across the northern peninsula.

The nature of that objection can be learned from the following facts:

> After various unsuccessful experiments, it is perfectly ascertained that ordinary canal boats, such as are in use upon the Ohio and Erie canals, cannot be safely towed upon the stormy surface of the great lakes. The modern barge system cannot therefore, be applied on the lakes.

The board of the New York State canals, in their report for 1835, set forth the following state of facts:

> The method of towing barges by means of steamboats has been very successfully practiced on the Hudson River; but on the lakes, though a great many steamboats have been in use for several years, the plan has not been adopted, because steamboats cannot manage barges in a storm. * * * An intelligent gentleman of several years experience in navigating steamboats on Lake Ontario, informs us that he considered it impracticable as a regular business for steamboats to tow vessels with safety on the lakes, unless the vessels were fitted with masts and rigging, and sufficiently manned so as to be conducted by sails in a storm; that storms often rise very suddenly on these lakes, and with such violence as would compel a steamboat to cut loose vessels in tow in order to sustain herself.

Those who have not witnessed them can form no adequate idea of the

violence of lake storms. The annual damage sustained by the massive masonry of the piers by which the harbors are protected, in which stones weighing upwards of half a ton are sometimes raised from their beds and completely upturned; the range of lofty trees rooted up and thrown upon the bordering shores, and the numerous vessels driven ashore and totally lost or seriously damaged, furnishing striking evidences of the power of an agency which nothing can resist. They are even more powerful than the "ground swells" of the ocean near the shore. In all land-locked bodies of water the waves are short and sudden in their movements, proving very destructive to whatever obstacle is opposed to their fury; but there is a characteristic slowness in the long movement of the ocean's swell, which, it is generally acknowledged, renders it less destructive to marine works exposed to its action than the waves produced in land-locked lakes or seas.

From Mr. Woodbridge's report to the Senate of the United States in February, 1843, upon the subject of the trade of the lakes, it appears "that from 1834 to 1841, inclusive, the number of wrecks upon lake Michigan amounted to eighty nine vessels; that those wrecks were accompanied by a destruction of property to the value of $1,052,450; and that one hundred and fifteen lives were sacrificed." The same report makes the disclosure, that during the year 1842 alone, "two steamboats, one ship, and seventeen schooners, were totally lost in the storms on the upper lakes; and that three other steamboats, two brigs, and ten schooners, were driven ashore, accompanied by the probable loss of nearly one half million of value in property, and more than a hundred lives."

From the shallowness of the water upon lake Erie, compared with that upon the other lakes, it is more easily and more permanently affected by frost, its navigation being generally obstructed by ice for some weeks every spring, after that of all the others is open and unimpeded. From the same cause this lake is likewise contradistinguished from all the others, by a slight current constantly setting from the West to East, which, together with the prevailing southwesterly winds, causes the floating ice in spring to drift down to accumulate to a vast extent about the head of the St. Lawrence river, thereby retarding the opening of the navigation at the entrance of the Erie and Welland canals some three weeks beyond the period at which it opens at the port of Erie upon the Southern side of the lake.

There is a significant fact disclosed by the last report of the New York canals. For the months of October and December of 1867, the receipts from tolls were about two millions, being a little more than half the receipts for the fiscal year, and more than half the estimated receipts for the next fiscal year. These figures show that the navigation closes just

when the demand for transportation is greatest, and the comparative smallness of receipts for the other five months of open navigation shows that the freight which cannot use this canal gets to market over other and much more expensive avenues of transportation.

It is probably owing to this serious disadvantage of the lake route that so little success has attended the various efforts which have been made to institute direct exports from the lakes to Europe. Notwithstanding all these efforts, the following list will show the whole number of vessels that have passed from the lakes to the ocean from 1846 to 1865 (excepting 1864, 1851, 1852, 1853 and 1849, for which the statistics are not available):

1846	1	1856	1	1862	6
1847	2	1857	2	1863	36
1848	1	1858	13	1865	11
1850	1	1859	37		
1854	1	1860	39	Total	159
1855	1	1861	7		

When the magnitude of the western lake trade, and when the costliness and perfection of the canals which have been constructed for the passage of ocean shipping are considered, this must be confessed to be a meagre exhibit, and it affords conclusive proof that trade avoids the outlet furnished by the St. Lawrence, rather than seeks it.

For the trade of the vast country lying in the States West and Southwest of the lakes, this route does not seem to furnish a cheap outlet. In an able paper on the duty of the Federal government, in connection with the navigation of the Mississippi River and its tributaries, Prof. Sylvester Waterhouse, of St. Louis, remarks: "Under all the existing difficulties (of this navigation), the freight of cereals from the Upper Mississippi to New York is far cheaper by way of New Orleans than it is by the lakes and the New York canal. The comparative rates of transportation from Dubuque, Iowa, to New York, are:

Via the lakes	68 cents per bushel.
Via New Orleans	38 cents per bushel.
Difference in favor of southern route	30 cents.

The present cost of shipping grain from Chicago to Cairo *by rail*, and thence *via* New Orleans to New York by water, is no greater than the freight to the same point by way of the lakes. The existing water tariff on wheat in bulk from Chicago to New York is—

By the lakes	44 cents.
From Chicago to Cairo by rail	20 cents.
From Cairo to New Orleans by water	12 "
From New Orleans to New York by water	12 "

So extreme is the cheapness of river carriage, that the rates of the southern route, increased by 300 miles of costly railroad transit, do not exceed those of the northern line. If we take a point on the Mississippi south of the latitude of Chicago, such as Dubuque, the saving is 30 cents a bushel by the New Orleans route. This gives 38 cents as the cost; and it is believed that after the improvement of the rapids of the Mississippi, and the erection of elevators for the transfer of grain in bulk, the freight of cereals from the upper Mississippi to New York, by way of New Orleans, will be reduced to twenty-five cents per bushel."

Such a reduction, and even the present low rates, will powerfully affect the movement of western grain; for even as early as in 1865, out of 48,000,000 bushels of grain shipped to Chicago, 15,000,000 were brought from points on the Mississippi; and it is officially stated that three-fifths of all the wheat received in 1865 at Milwaukee and Chicago came from the towns on the banks of the Mississippi.

THE VIRGINIA WATER-LINE THE BEST SUBSTITUTE.

The serious disadvantages which have been here detailed attending the navigation of the lakes and the St. Lawrence River and Gulf, coupled with the other consideration, that in the event of a war with Great Britain, this important channel of transportation of the produce of the West to the East would be obstructed, have combined to impress upon the public mind of the East the great importance of auxiliary lines of railroad lying wholly within the national jurisdiction.

This well-grounded appreciation of railroads which grew gradually into a railroad mania, operated for several years to turn public attention away for a period from all artificial water-line routes of transportation. But now, it is discovered, after the fullest experiment, that railroads are inadequate to the performance of the immense transportation required, and that they are liable to the popular objection of being in charge of close corporations, and are not, like canals, open to indiscriminate public use at moderate rates of charge.

The Virginia canal, owing to the costliness of the work, did not reach completion before the railroad fever had taken possession of the public; and it has had to wait for its consummation to that returning appreciation, which is now again felt, of cheap water transportation. It offers now a channel of navigation frem West to East shorter than any other, cheaper than any other, more expeditious, and more free from all obstructions arising from climate or a public enemy than all the rest. Its only rivals in capacity for western trade are the Mississippi and gulf route on one hand, and the great lake, Erie Canal and St. Lawrence River route on the other. Both of these boundary routes are circuitous, while this central

one is direct. Both of the others take American produce out of the Union, in transporting it from one part of the Union to the other, subjecting it to the dangers of war; and while one of them subjects our national products to the damaging effects of a semi-tropical climate, and the hazards of gulf and coast navigation, the other renders it liable to be seized and held for months by the ice, or wrecked and lost by the lake storms.

Emphatically, in the case of the Virginia line, it is true, *in medio tutissimus ibis.* It offers the safest, the shortest, the most central, the cheapest, the most constantly open, and the most available of all the channels of outlet by water for western trade.

The rapid expansion and extension of inland navigation in the central basin of the continent is producing an increase in the quantity of trade demanding outlet to the seaboard, far exceeding the capacity of all existing avenues of outlet to discharge, and imperatively requiring the opening of a new line of direct water navigation to the seaboard equal in capacity to the Erie canal. The extent of this inland navigation will now be displayed in a few paragraphs.

VAST EXTENT OF OUR INLAND NAVIGATION.

The construction of a ship canal less than one mile in length between lakes Traver and Big Stone, in Minnesota, will unite the waters of the River St. Peter's with those of the great Red River of Northwest British America. The Red River of the North is navigable for steamboats for seven hundred miles to Lake Winnepeg; and from Lake Winnepeg this navigation is extended by the Saskatchawan seven hundred miles to the base of the Rocky Mountains, within a short distance of Frazier's gold digging. Thus navigation will soon be opened west of the Mississippi from St. Paul, on the Mississippi River, to Frazier's diggings in British Columbia, via the St. Peter's and Red rivers of the North. East of the river, the union of the headwaters of the Wisconsin and Fox rivers in Wisconsin, will make a navigable water route from the Mississippi to Green Bay, on Lake Michigan. Further south, one hundred miles of ship canal, from Chicago west to Peoria, with some improvements in the Illinois River, will make another navigable water route for large vessels from the Mississippi to Lake Michigan. A canal in Ohio connects Portsmouth, on the Ohio River, with Cleveland, on Lake Erie. Cincinnati, on the Ohio River, and Toledo, on Lake Erie, are connected by the Miami Canal. A canal from Toledo to Logansport, Indiana, with the Wabash River, unites the waters of the Ohio River with those of Lake Erie at Toledo. Should the wants of commerce require it, these latter canals can be enlarged through Ohio and Indiana to a capacity for passing steamboats of six hundred tons burden.

The proposed dimensions of the canal above described, as projected for uniting Prairie du Chien on the Mississippi with Green Bay on Lake Michigan, across the State of Wisconsin, are as follows:—The entire improvement will be 295 miles in length, of which 175 miles, chiefly of lake and river navigation, are in use. The locks will be 160 feet long by 35 feet wide. The upper Fox is not yet fully improved, but now passes barges of greater capacity than those of the Erie Canal. The dimensions of the water line through Illinois will be, when the canal is enlarged, length 100 miles, with locks 350 feet long by 70 feet wide; cost $10,000,000. These two latter works are not antagonistic, and will make a navigable water communication between the great chain of lakes, and upwards of twenty thousand miles of navigable rivers, including the Mississippi and its numerous tributaries, and the Red River of the North and Saskatchawan of British America. These improvements, in connection with the short ship canal, less than a mile long, between lakes Big Stone and Traver, will open steamboat navigation from Chicago or New Orleans to Lake Winnepeg, which is 700 miles distant from St. Paul. This great sheet of water is as large as Lake Ontario, and receives the Saskatchawan river from the west, which itself is navigable 700 miles to the Rocky mountains, within a distance of 50 miles from the Frazier's River gold mines. By means of these improvements and the various ship canals proposed or completed between Lake Michigan and the East, steamers from Quebec, New York or New Orleans could be passed to the headwaters of the Missouri, the Yellow Stone and the Saskatchawan, a distance of 5,000 miles of inland water navigation. This vast extension of navigation must exert a prodigious influence in stimulating western production, and produce an accumulation of trade requiring the opening of every possible channel of outlet to the seaboard.

The great lakes have a shore line of 3,620 miles on the American side, and 2,629 miles on the side of Canada. Lakes Huron and Superior are navigably connected by a ship canal around the rapids of the St. Marie river, with locks 350 feet long and 50 feet wide, having 12 feet lift.

The present extent of steamboat navigation in the valley of the Mississippi river, is shown by the following table, prepared by Col. Long, of the United States Army:

EXTENT OF WESTERN STEAM NAVIGATION.

Mississippi and branches.			
Mississippi proper	2,000	Iowa	110
St. Croix	80	Cedar	60
St. Peter's	120	Des Moines	250
Chippeway	70	Illinois	245
Black	60	Maramec	60
Wisconsin	180	Kaskaskia	150
Rock	250	Big Muddy	5
		Obion	60

Forked Deer	195
Big Hatchie	75
St. Francis	300
White	500
Big Black	60
Spring	50
Arkansas	603
Canadian	60
Neosho	60
Yazoo	300
Tallahatchee	100
Tallabusha	100
Big Sunflower	80
Little Sunflower	70
Big Black	150
Cumberland	400
Tennessee	720
Red River and branches.	
Red river proper	1,500
Wachita	375
Saline	100
Little Missouri	50
Bayou D' Arbourc	60
Bayou Bartholomew	150
Bayou Bœuf	150
Bayou Macon	175
Bayou de Glaze	90
Bayou Carre	140
Bayou Lafourche	60
Bayou Rouze	40
Bayou Plaquemine	12
Bayou Teche	96
Grand River	12
Bayou Sorrele	12
Bayou Chene	5
Missouri and its branches.	
Missouri proper	1,500
Yellowstone	300
Platte river	40
Kansas	150
Osage	275
Grand	90
Ohio and its branches.	
Ohio proper	1,000
Alleghany	200
Monongahela	60
Muskingum	70
Kanawha	65
Big Sandy	50
Scioto	50
Kentucky	62
Salt river	55
Green	150
Barren	30
Wabash	400
Bayou Louis	30
Teneas	150
Lacke Bistenaw	60
Lake Caddo	75
Sulphur Fork	100
Little River	65
Kiamichi	40
Boggy	40
Bayou Pierre	150
Atclafaloya	360
Total miles	16,674

Here are nearly seventeen thousand miles of steamboat navigation It would be a moderate estimate to reckon the slack water navigation of these rivers, for boats other than steamboats, at the same number of miles in addition. And, if we accept the assertion of an eminent European engineer that any stream having a volume of water 19 feet wide and 18 inches deep may be made navigable, and is considered a commercial stream in Europe, then there are still as many miles in addition of navigable water in the great basin; making a total navigation of 50,000 miles for purposes of commerce.

THE BARGE SYSTEM ON THE WESTERN RIVERS. ITS TENDENCY TO DIVERT TRADE FROM THE LAKES TO THE MISSISSIPPI RIVER, AND TO THE OHIO AND VIRGINIA CANAL.

The inadequacy of the present means of outlet for Western produce to the seaboard, other than the channel of the Mississippi, is universally acknowledged.* For the sake of cheapness, vast quantities of produce

* In 1865 Minnesota alone produced 10,000,000 bushels of wheat. Three-fourths of this harvest could have been exported if facilities of cheap transportation had offered sufficient inducement. In 1866, higher prices—which produce the same effect as cheaper freight—led to the exportation of 8,000,000 of bushels. It is such a state of freight charges or of market prices as will leave a profit to the producer which brings out products to market.

must take the river and gulf route, or not go to market at all. Notwithstanding the objections which exist, and are universally entertained, to that route, its trade is rapidly increasing from the very necessity of the case. Within the last three years it has received so great an impetus, that improvements in the facilities for transferring produce from vessel to vessel, and for towing it upon the water, have become indispensable. The barge system has accordingly been substituted for the old one of placing the produce on large steamboats. Steam tugs of immense strength are employed. They carry no freight. They are simply the motive power. They save delay by taking fuel for the round trip. Landing only at the large cities, they stop barely long enough to attach a loaded barge. By this economy of time and steady movement, they equal the speed of steamboats. The Mohawk made its first trip from St. Louis to New Orleans in six days, with ten barges in tow. The management of the barges is precisely like that of freight cars. The barges are loaded in the absence of the steam tug. The tug arrives, leaves a train of barges, takes another and proceeds. The tug itself is always at work. It does not lie at the levees while the barges are unloading. Its largest stoppage is made for fuel. The power of these boats is enormous. The tugs plying on the Minnesota River sometimes tow 30,000 bushels of wheat apiece. The freight of a single trip would fill 85 railroad cars. Steamboats are obliged to remain in port two or three days for the shipment of freight. The heavy expense which this delay and the necessity of large crews involve, is a grave objection to the old system of transportation. The service of the steam tug requires but few men, and the cost of running is relatively low. The advantages which are claimed for the *barge system* are exhibited by the following table:

	Tugs & barges.	Steamboats.
Stoppage at intermediate points	2 hours.	6 hours.
Stoppage at terminal points	24 "	48 "
Crew	15 men.	50 "
Tonnage	25,000 tons.	1,500 tons.
Daily expenses	$200	$1,000
Original cost	$75,000	$ 00,000

In addition to the ordinary precautions against fire, the barges have this unmistakable advantage over steamboats, they can be cut adrift from each other, and the fire restricted to the narrowest limits. The barges are very strongly built, and have water-tight compartments for the movement of grain in bulk. The transportation of grain from Minnesota to New Orleans by water costs no more than the freightage from the same point by railroad to Chicago. After the erection of a floating elevator at New Orleans, a boat load of grain from St. Paul will not be handled again till it reaches the Crescent city.

The dimensions of the vessels employed on the river between St. Louis and New Orleans are as follows:

TOWBOATS.

Light draft.	Depth of hold.	Breadth.	Length.	Tonnage.
3½ feet.	5½ feet.	30 feet.	180 feet.	6,500 bush coal

BARGES.

1 1-6 feet.	6 feet.	30 feet.	175 feet.	600 tons
1½ "	8 "	34 "	190 "	1,000 "

The towboats have two engines each; the cylinders are 22 inches in diameter, with 20 inch stroke. One towboat will draw 8,000 tons of freight. The time from St. Louis to New Orleans is 6 days down, 10 days back; round trip, on the average, 18 days.

The Mississippi Valley Transportation Company has 5 towboats and 37 barges. They are crowded with business. They handle as much as 11,000 tons of freight in a week. The business is rapidly and largely developing. The barge system will soon supersede all other methods of transportation on western waters. An indispensable adjunct of it is the steam elevator for transferring grain from vessel to vessel in bulk. The St. Louis elevator cost $450,000, and has a capacity of 1,250,000 bushels. It is able to handle 100,000 bushels a day. It began to receive grain in October, 1865. Before the 1st of January, 1866, its receipts amounted to 600,000 bushels, 200,000 of which were brought directly from Chicago. The local receipts at the elevator in 1866 were 1,376,700 bushels. Grain can now be shipped by way of St. Louis and New Orleans to New York and Europe 20 cents a bushel cheaper than it can be carried to the Atlantic by the other existing routes. The effects produced by barge system is thus described by a New Orleans correspondent of the New York *Times:*

NEW ORLEANS, Sunday, April 5, 1868.

CHICAGO AND NEW ORLEANS.

Every one observes how this most enterprising people are prospecting for commercial expansion. Chicago owns about one-third of the whole tonnage of the Union. She controls the lakes, and is forcing her way by the St. Lawrence to the ocean. She is penetrating the upper country of the Northwest, and intercepting from St. Louis the productions of Iowa and Montana. Recently she has discovered that the Mississippi is the cheapest open way to the markets of the world, so she has sent her commercial explorers to mark her pathway to the ocean by way of New Orleans. The great Illinois Central Railroad has taken hold of the West India trade, and offered such inducements to western importers that Havana sends her products by this route instead of by New York. The Texas cattle dealers have adopted this route. Large capital has been put in grain elevators, and Western men who are here to conduct business claim confidently this important commerce. These explorers from the northwest seem delighted with the climate and local attractions of New Orleans, and with a rapid rail time between the snows of the north and the sunny *trottoirs* of New Orleans, we have crowds of business men, with their families, constantly among us. This has given an impulse to our Western trade, and has occasioned considerable investments in city and country real estate.

THE NORTHWEST ON POLITICS.

The giant northwest is, in fact, beginning to perceive and employ its physical ability in the commercial politics of the country. With the conviction that the Mississippi outlet was of indispensable importance, it has decreed that all obstacles to the navigation of that river shall be removed from its sources to its mouth. So the Des Moines Canal is under contract. It is to be 7 miles long, 300 feet wide, and 6 feet in depth. The smaller obstructions of the upper river, including the bridge at Rock Island, are to be removed, or so modified as no longer to impede navigation. Then the Government has ordered a dredgeboat, costing nearly $400,000, to go to work on the Belize Passes. Besides this, St. Louis is declared a port of entry, and hereafter goods will be imported direct to that city. This will, no doubt, make a great change in the values imported by way of this Custom House. There are other evidences that this great internal power will make itself felt in the legislation and foreign policy of the Government. It is a leviathan, which has only made itself known, so far, by spouting and an occasional lash of its tail. When its power shall be fully awakened, it will snap the ropes and splinter the lifeboats of the politicians who are after it for its blubber alone. The character of national politics will be fixed by the millions who inhabit the northwest. They are mostly of European origin, believe in the divine right of the majority, think that the minority ought to be hanged for the treason of a difference of opinion. In a word, they have transfused the doctrine of European despotism into the forms of a popular government. Whenever this numerical power shall demonstrate itself, we may anticipate a moral revolution in the political administration of this Democratic Republic.

The employment of the barge system on the Ohio river will, as to all trade accessible to that stream, neutralize the objection to the overland portage from Parkersburg to tide water at Baltimore, by way of the Baltimore and Ohio Railroad. At a recent meeting of the Board of Trade of New York, it appeared that transportation by rail to Cincinnati from that city cost 70 cents per hundred; while from Boston and Philadelphia along the Atlantic coast to the mouth of the Chesapeake, thence north to Baltimore, and thence by railroad to Cincinnati, the cost is 40 cents per hundred. The Baltimore *Gazette* of April 11th, 1868, gives the following table of freight charges respectively from New York and Baltimore to different points in the West on fourth-class goods:

	From N.York.	From Baltimore		From N.York.	From Baltimore
To Cincinnati.....	50	30	To Chicago.....	55	38
To Louisville....	66	48	To Indianapolis.....	53	35
To St. Louis...	94	55			

These differences are producing a great diversion to the Baltimore route from the more northern ones, and demonstrate the strong tendency of trade to seek the shortest crossing from the west to tide-water.

THE QUESTION OF BACK-LOADING—PRODUCTS OF THE KANAWHA VALLEY.

Transportation by either of the two great routes of circuitous navigation, from the west to the sea, which have been considered, is conducted under the very costly disadvantage of a deficiency of return freights for the boats conveying the trade. The products moved eastward from the west, are gross and bulky, while the freights taken back to the west con-

sist chiefly of articles much lighter and less bulky in proportion to their value. All the statistics of trade between east and west show, that the tonnage moving eastward exceeds by several fold, that moving westward. This condition of trade subjects the boats engaged in it to the necessity of returning westward either wholly or partially empty. In western New York, the deficiency of back-loading thus occasioned, has produced a very great development in the salt manufacture, and swollen that business in that locality probably to the largest salt manufacture in the world.

The reverse state of things now exists in the trade of the Ohio river. A very large portion of the western population derives its coal from the mines on the upper waters of the Ohio. This mineral is bulky in proportion to its value, and boats carrying it down from the region about Pittsburg to the places of consumption, having no sufficient return loading eastward in consequence of there being no outlet of navigation to the seaboard from the upper Ohio, do not return at all, and are broken up for fuel or lumber, and sold at a sacrifice.

The opening of the water-line from the Great Kanawha river, through Virginia to the Atlantic, will correct both of these serious disadvantages incident now to western trade. The boats or barges which shall carry the heavy and bulky farm produce of the far interior to the mouth of Chesapeake bay, will refill in returning with the fine bituminous coals of West Virginia, and carry them back to the very hearths of those western farmers from whose granaries they were loaded for the eastward voyage. The coals of West Virginia would themselves supply all the return tonnage which the boats moving east would require; but in the event of any deficiency in this respect, the Salines of the Kanawha Valley, now producing two millions of bushels of salt per annum, would multiply their production to any possible requirement.

It is well know to geological men that the veins of bituminous coal which pervade the entire western slope of the Appalachian chain of mountains, have their maximum aggregate thickness in the Kanawha Valley.

From a late authentic work on the subject to the Kanawha coals, the following extract is made:

THE GREAT KANAWHA COAL FIELDS.

The coal fields of the Great Kanawha region, in West Virginia, are superior to those of Great Britain or Pennsylvania. They are regarded by eminent geologists as the finest deposit of coal in the world. The quality of Kanawha Cannel coal is equal to the best English Cannel; the quality of its bituminous coal is equal to the best found in Pennsylvania; and Kanawha splint coal, for smelting iron ore, is unsurpassed. The veins lie horizontally, and vary from three to fifteen feet in thickness; and the aggregate thickness of the various veins in some localities amounts to forty and even fifty feet of solid coal.

The advantages of the Great Kanawha Coal Fields over those near Pittsburg may be summed up as follows:

1. The Kanawha Coal Fields contain as good bituminous coal as the best found on the Monongahela and Youghiogheny, and, in addition thereto, large deposits of Cannel Coal, equal in quality to the best English Cannel—none of which is found in the Monongahela coal fields.

2. The veins of coal are thicker and more numerous on the Kanawha than on the Monongahela. Veins of splint and bituminous coal on the Kanawha are from 4 to 15 feet thick, and the Cannel from 30 inches to 5 feet thick.

3. Coal lands on the Monongahela and Youghiogheny sell for $300 and $400 per acre, whilst better coal lands on the Kanawha can now be purchased from $10 to $20 per acre.

4. The Kanawha coal fields are 230 miles nearer to Cincinnati and the southwest cities than the Monongahela coal fields are. This gives to Kanawha coal an advantage of at least one cent per bushel in cost of transportation to such markets over the Monongahela and Youghiogheny coal.

5. The navigation of the Ohio at Point Pleasant is greatly better than it is at Pittsburg; therefore Kanawha coal can be more frequently shipped from Point Pleasant than Monongahela coal can from Pittsburg.

6. The navigation of the Kanawha and Lower Ohio is not interrupted by ice to the extent that the navigation of the Monongahela and Upper Ohio is, as New River, the chief tributary of the Kanawha, rises in North Carolina—whilst the Alleghany (which, with the Monongahela, forms the Ohio,) rises near Lake Erie. This gives to the Ohio River at Point Pleasant an advantage of two weeks and more every winter over the Ohio at Pittsburg—and at a time when fuel is most needed in Cincinnati and Louisville.

7. The Kanawha coal fields are situated on what must be, in time, a great highway for the trade and travel of the Mississippi Valley to the Atlantic seaboard. The vast and rapidly increasing trade of the Great West is seeking new routes for transit to the cities of the seacoast; and the route through the Kanawha valley has advantages over all others in shortness of distance, grade of road, and mildness of climate.

COALS FOR THE SEABOARD CITIES AND FACTORIES.

The coals of the Kanawha region are now shipped around by way of New Orleans and the Gulf to New York, at a profit to the miner and dealer. The quality of the cannel coals of West Virginia is fully equal to that of the coals of England and Nova Scotia imported into New York. It has become of vital importance to the manufacturing interests of the seaboard cities to obtain adequate supplies of the best qualities of bituminous coals from shorter distances than those from which they are now derived, and at cheaper rates. The most intelligent manufacturers, and dealers in coal, of New York and the eastern cities, recognize the necessity of a resort to the excellent cannel and bituminous coals of the Kanawha, Coal, Guyandotte, and Sandy rivers of West Virginia for fuel;—a fact which is fully established by the shipments that are now making of the coals of that region by the roundabout route of New Orleans to the Atlantic seaboard.

The opening of the Virginia Canal will finally settle the question of an adequate coal supply for the eastern cities, and forever relieve the apprehension and scarcity now felt by eastern manufacturers on that vital subject. Valuable as this water-line will be to the West, as shown in these pages, its importance is doubled by the fact that the work is vital to the

success of the manufacturing system of the East, as a means of supplying the best coals of the continent from the nearest mines by the most direct navigation and at the cheapest rates.

DUTY OF CONGRESS ON THE SUBJECT OF INLAND NAVIGATION.

"The invention of Fulton has, in reality for all practical purposes, converted the Mississippi, with all its great tributaries, into an inland sea. Regarding it as such, I am prepared to place it on the same footing with the Gulf and Atlantic coasts, the Chesapeake and Delaware bays, and the lakes, in reference to the superintendence of the general government over its navigation. It is manifest that it is far beyond the power of individuals or of separate States to supervise it, as there are eighteen States, including Texas and the Territories—more than half the Union—which lie within the valley of the Mississippi or border on its navigable tributaries."—J. C. Calhoun in Memphis Convention of 1845.

Pertinent to this question of Congressional duty, with reference to the Western rivers, there is an important provision in that great organic law of the northwest, the Ordinance of 1787. By that law, enacted by Congress for the government of the territory of the United States northwest of the Ohio river, it is declared that "the navigable waters leading into the Mississippi and St. Lawrence, and the carrying places between the same, shall be common highways and forever free, as well to the inhabitants of the said territories as to the citizens of the United States and those of other States that may be admitted into the Confederacy, without any tax, impost, or duty therefor." It may be asked—How can the people of the United States at large enjoy the benefits of this common right, unless they have avenues of access opened to them by a competent power? and how can the people of the country bordering those streams enjoy the benefit of their navigation if that inland navigation be not connected with the seaboard by direct lines of artificial navigation, opened by competent authority? This ordinance is in the nature of a compact between the General Government and the people of the States, and it reserves certain rights and imposes certain duties, in which all citizens of the United States are interested. It is a part of the fundamental law of the land. Reserving the rivers as common highways for all, it divests all the States, and each particular State, of any jurisdiction over them, and gives Congress full power to extend their advantages to every citizen of the Union.

Having guaranteed to all the people the navigation of these rivers forever, the United States is bound to open avenues to them from all directions, and keep them in a condition to be freely navigated and fully enjoyed. But how can an inland navigation be fully enjoyed if Congress shall supply no direct and convenient outlet to the seaboard and to the markets of the world?

It is now conceded that Congress has power, as proprietor of the public lands, to do what any prudent landowner may do for the enhancement of the value of his patrimony, and can lawfully appropriate part of its lands in aid of public works which would commensurately enhance the lands retained. If this be so, what method could be conceived of that would more certainly enhance the value of every acre of public lands in the West than the opening of another canal of the capacity of the Erie, on a more central, more southern, and shorter route?

The attentive reader of these pages cannot fail to have arrived at the conviction that water navigation affords greater advantages to greater numbers of people, at lower rates, and for far more numerous tons of produce than railroad transportation. Yet railroads have received nearly all the bounties which Congress has been willing to bestow upon public roads.

The Commissioner of the General Land Office, in his report for 1865 (pp. 34–5) gives the following information:

"The immense railroad grants [of land by Congress] embrace, by estimate, the quantity of 125,000,000 of acres, exceeding by 8,000 000 of acres the aggregate area of the States of Maine, New Hampshire, Vermont, Connecticut, New York, New Jersey, Pennsylvania, Delaware, and Maryland. These enormous grants are within about one-fourth of being twice the united area of England, Scotland, Wales, Ireland, Guernsey, Jersey, the Isle of Man, and islands of the British seas, and less than a tenth of being equal to the French Empire proper, with its 89 departments and its 37,510 communes.

"Why is it that the Congress of the United States, as the national trustee, charged under the Constitution with the disposal of the public lands, have made grants on such a stupendous scale as this? The answer is found not merely in the indemnifying principle of duplicating the reserved sections, but in the higher purpose of opening speedy communication by the iron railway across the continent to unite the great industrial interests of the Atlantic slope, the valley of the Mississippi, and the declivity from the Rocky Mountains to the Pacific."

Does not a line of direct eastward navigation, promising similar results to those which followed the opening of the Erie Canal, present a very strong claim upon the bounty of Congress?

A CROWNING ACT OF RECONSTRUCTION.

The effect upon public opinion in the Southern States of liberal grants of aid by Congress in behalf of public works of national importance within their borders, would be unspeakably happy. And no act of such assistance would be more gratefully received, or be more beneficial in result, than a donation of lands and loan of bonds in behalf of so important an enterprise as the completion of the Virginia water-line. Such an act, giving earnest of a broad beneficent policy, would exert as great an influence in securing thorough and permanent reconstruction as any measure that could be adopted by the Federal power. It would completely identify Virginia with the Great West, and utterly and finally

obliterate every sentiment and trace of sectional alienation. It would give that bounding prosperity to the State which brings solace for every grievance, and sweeps away every remnant of the poverty and privation which are the sure nurses of disaffection and resentment. The completion of a great line of trade across the territory of Virginia would bind that great leading Southern State to the bosom of the Union by the strong ties of prosperous commerce, and hold her in indissoluble allegiance for all time to come.

The bestowal of such a bounty at a period of so much need as the present upon a commonwealth which, at a former era of the national history, made notable sacrifices in behalf of the national cause, would be a requital not inappropriate, and would do as much to restore an era of good feeling and sterling loyalty as any measure that could be taken to that end.*

MONEY OR CURRENCY IN RELATION TO THE PRINCIPLES OF POLITICAL ECONOMY.

There is an article upon the subject of currency in the June number of the MAGAZINE by Mr. Chas. H Carroll, in which he discusses to a considerable extent the economical principles which appear to him relevant to the question, though, as it seems to me, he has not given due weight to others of equal importance.

In combatting the assumption that an increase of currency at the West would lower the rate of interest, Mr. Carroll takes occasion to say that "interest is not the price of money merely; it is the rent of capital. It is not, therefore, currency that is needed at the West, but capital, since the more capital there is the less is its rent; and capital can only be obtained by labor, or it is the fruit of labor, wherever and however obtained."

We shall not attempt to discuss all the principles involved in this paragraph, as that would open up most of the difficult problems of political economy, for which we have neither time nor space at present, and it would, to some extent, be a repetition of matter contained in articles lately contributed to this magazine.

That interest is the rent of capital permanently invested upon undoubted security, under ordinary circumstances, none will deny; but under the present system and practice of banking, gold-getting, stock-jobbing, &c., and the very extensive financial operations of almost all the governments of the world, that principle can have but the least possible effect at present in regulating the interest or discount on money.

In Europe we find that the interest of money or discounts fluctuate continually, and even from 1½ to 10 per cent; and these constant variations also take place in New York and all the large cities of the Union, which seems to argue that the rate of profit and the quantity of capital have but very little influence upon the rate of interest. That the increase of capital should lower the rate of interest or profit, is one of the fallacies of Adam Smith, which receives countenance from no other English economist. There is certainly as much real capital at the West at present, proportionally to the number of people, but, perhaps, not the same proportion of exchangeable wealth as in older States; and, although this last circumstance might command a larger circulation of currency, it would be a fallacy to assume that it would lower the rate of interest; notwithstanding, a lower rate of interest might be an incident of that state of society. Nevertheless, what would cheapen loans would increase prices, and such an amount of currency must eventually be withdrawn; if of bank paper, with fluctuation and loss, and if of gold and silver it would flow off naturally, with a little less inconvenience. But if one principle of political economy has been better ascertained and oftener demonstrated than another, it is that the amount of money in circulation in any given locality must necessarily conform to the exchangeable value of the commodities which have to be exchanged; and therefore no unnecessary or artificial increase of currency can be permanently maintained in circulation for any length of time. Nor is it logical to assume that an "increase of currency in relation to capital is a safe way to increase the rate of interest." It might cause it to fluctuate and induce other inconveniences, but it could not permanently increase it.

Many years ago I made the assertion in this magazine that any superior increase of money must develop its own employment, as there can be no use nor scope for it in circulation without increasing prices, or of pushing out of circulation a like quantity of some other kind of money. An undue increase of money must therefore always be forced into the loan market, and its first effect, no doubt, will be to lower the price of loans (rate of discount); but afterwards, when commerce becomes deranged in consequence, and the demand for loans increased, their price will be regulated only by the exigencies of the borrower and the ability and disposition of the lender.

It is assumed, however, by political economists in general that there is a natural or necessary rate of profit to which all businesses, more or less, tend, and which, to some extent, regulates the interest of money, and no doubt this may have been true before the era of banking, and ought to be true still. We may be satisfied of one thing, nevertheless,—that the principle in question has not at present the least possible effect upon the

interest or discount on loans. We must therefore beg leave to differ with Mr. Carroll's proposition, although we may think it just as futile as he does to attempt to lower the rate of interest permanently by an increase of money. Nor are we more fortunate with respect to the next proposition, as we can see no necessary connection between a high rate of interest and the exportation of money; yet Mr. Carroll seems to think that one is the cause and the other the effect.

He says: "I presented the example of California, and stated that money runs away from a high rate of interest all the world over, as it runs away from that State, where it is from 24 to 30 per cent per annum, to New York, where it is from 6 to 9 per cent; thence to London, where it is 4 per cent; and thence to Paris, Hamburg, &c., where it is only 2 or 3 per cent.

Now I venture to say there is no truth or reality in this theory laid down by Mr. Carroll. That money will necessarily be exported from where it is relatively cheap or in excess, there can be no doubt. In Europe, under such circumstances, we see exactly the same phenomenon of the exportation of the metals from countries where the rate of interest is comparatively low to countries where it is comparatively high, and it is always this comparative low rate of interest which is the predisposing cause of exportation, and, as we should very naturally assume, the rate of interest is increased for the purpose of compelling the gold to return, or at least to prevent further exportation.

With respect to gold leaving California while interest is at 25 or 30 per cent, I can only say that it is a very natural circumstance, as a stream must always be highest at its source. Gold leaves California because it is continually produced there. If you could contract the issues by raising the rate of interest, you would soon see gold returning to California, as it does to London or Paris, under the same operation; but to make Mr. Carroll's doctrines feasible this stream of gold should stop and remain where interest is at the lowest point. This, however, is not the case, for it has no sooner arrived in England and Paris than it again takes its flight up the Levant towards Asia, Hindostan and China, where interest is understood to be at a much higher rate than in Europe.

It is very true that gold or "money is but one of the exchangeable commodities of commerce, and that the demand for it is without limit;" but we say, under present circumstances: Money is neither wealth nor capital; it is only a convenience by which labor is eased or time saved. Mr. Carroll claims that it is capital, and in this instance seems rather at issue with himself, for in that case it ought to remain in California to be applied to reproduction and, according to his teaching, to lower the rate of interest. But it is true, notwithstanding, "that the miners and the

State of California are as much enriched by producing it (money), although cheapening it all the while, as they would be by producing a like value of wheat." That is to say, with this qualification, unless the wheat were consumed at home; but supposing the wheat to be exported, it might have been added that they have a much better chance of being enriched by the production of the gold than the wheat, as the same exchangeable value could not always be guaranteed for the wheat, but gold cannot be produced in excess under present monetary arrangements. All the banks in the world might be glutted and gorged with gold, but the demand for loans and discounts would never cease, and, therefore, gold will continue to be produced in California and elsewhere, and to follow its usual course.

It is quite against the conclusions of political economy, that any commodity can be thus constantly produced and constantly cheapened unless the facilities for such production are continually increased; so that the same amount of labor must produce a sufficiently increased quantity of the commodity to demand an equal exchangeable value of any other product. This also presumes an effectual demand; or, in other words, an increased consumption to the full extent of the increased production, or the commodity will cheapen from redundancy, which must cause a cessation of production eventually. There cannot, therefore, according to the principles of political economy, be any effectual demand for a constantly increasing amount of money, without a constant increase in price; and certainly very little increase could possibly get into circulation unless loaned out to jobbers and speculators.

The reason why California gets rich by the production of gold, is not because gold is either capital or wealth, but because the absurd regulations of commerce effectually protect that production from the effects of redundany. If a bushel of wheat were made the measure of value for all other commodities, as well as the equivalent, which should satisfy all debts at a certain price, much beyond its cost of production, the demand for wheat would constantly increase; so that all agriculturalists that could would produce wheat, and get rich at the expense of the community; in the same manner, if not to the same extent, as California gets rich at the expense of the world, by the production of an unnecessary amount of gold. Suppose that all the laws were repealed in the different countries of the world which stipulate the quantity of gold to be contained in the various coins which are a legal tender in those countries, what would be the consequence? Gold getting would very soon colapse in California as every where else, nobody would require gold, it would be nearly an useless commodity; that intenseness of value would cease; it would cease to run its regular course from country to country as at present, until it reaches the

remotest corners of the earth. Each country that required it in future, would have to import it directly from the mines for its own purposes; but it would not necessarily be required for currency, and none would be wanted to pay the balances of foreign exchange.

We must get rid of our prejudices in favor of the standard of value, then we should get rid of the evils of monetary fluctuation, as well as the tax of the constant production of gold. The governments might issue the money, which could always be kept at par, by reference to the price of gold or of foreign exchange. Gold would then have a price, which it has not at present. All other commodities have a price in gold, but gold has no price in other commodities; and notwithstanding the dictum of our friend Carroll and Professor Leiber, there are and must be such terms and acts as buying and selling, they are the necessary outgrowth of the monetary system, and, therefore, will be used as long as it continues, and must be correct. A certain weight of gold being the universal medium and measure by which all other things are exchanged, without any reference whatever to any change which may have taken place in its own value or quantity necessarily gives price to all other commodities. The value or price of gold is fixed for the time being, and can only be cheapened eventually by the slow increase of its quantity in the universal market of the world. Money is the commodity which every one reserves to purchase all other things, and is not a consumable article; and in the estimation of the public its value never varies. Therefore it is never sold, nor exchanged, nor bartered, technically, so to speak, nobody haggles about its price, it merely buys all other commodities, and, as Mr. Carroll says: "it is the only universal recompense accepted without question." This property money will always retain, and for that reason its relative quantity should never be allowed to increase. And it would make no difference if, as Mr. Carroll suggests, we were to call the coin by the name of a weight, if all values were still to be measured by it, and all debts liquidated with a like quantity. There was a time no doubt when gold and silver were not the standards by which other things were exchanged, but gradually became so as commerce became more extensively practised. Most students of the Bible are aware, no doubt, that the words "pieces of silver," and "pieces of money," are translated in the margin "Lambs," lambs of silver, &c. The Romans also valued other things by reference to cattle. But enough upon this point, as it is not at present of the least importance.

Mr. Carroll, after assuming that the rapid strides to wealth making at present by California, puts to shame the speculative theory of certain scholars and writers that money is not capital, proceeds to say, "it would be as absurd to oppose the cheapening of money by its increase, as if Indian corn or wheat, by an increase of crops."

Now this seems to be an unaccountable error on the part of Mr. Carroll, unless it may be that he is extensively interested in the production of gold. In that case, we should suppose that his interest had blinded his judgement. Indian corn or wheat can be consumed, and there is always a demand for it at some price, and if it happens to be otherwise it is in some locality which has not sufficient means of transport, or it is prevented from finding a profitable market by the effect of some absurd tariff regulation or other; but notwithstanding these infrequent instances the price of grain steadily appreciates, whereas it is far otherwise with money; it is not a useful or consumable commodity. But to proceed: the next sentence is rather paradoxical, it is as follows: "But to cheapen money as currency, without increasing it as capital, to compensate the depreciation and to supply the export demand which that depreciation creates is quite another thing; that should be restrained as rigidly as counterfeiting; for it amounts to the same thing in its effects upon the wealth of the nation." How can the addition of any commodity be an increase of capital if its exchangeable value depreciates in the ratio of its addition? This admission is fatal to the hypothesis that gold is capital. No addition can be made to wealth, or value, by an increase of currency. It is true that Mill, as well as Smith, is blind and inconsistent upon this point. He believes that a country exporting gold from an excess of money, obtains value in return; but this is only the case in a country that produces gold, as they seldom export any other produce but for which they have also peculiar facilities of raising. But let us hear what Mr. Mill says upon the point at issue, (page 299).

"It is to be remarked that this ratio would be precisely that in which the quantity of money had been increased. If the whole money in circulation was doubled prices would be doubled. If it was only increased one-fourth, prices would rise one-fourth. There would be one fourth more money, all of which would be used to purchase goods of some description.

* * * * * * * *

Even if some prices were raised more and others less, the average would be one-fourth. This is a necessary consequence of the fact that a fourth more money would have been given for the same quantity of goods."

According to this, nothing can be obtained by an increase of money—it is an evil and a tax. Mr. Carroll is very much against an increase of currency in contradistinction to money, but I think it preposterous that the world should be taxed to humor the silly conceit that money is wealth.

I have no issue with Mr. Carroll upon the subject of banking, he is welcome to fight it as hard as he can, and I think the community are

much indebted to him for the many clear and forcible exposures he has given to it; though, I confess, that I can see no difference in principle between the English, French or American systems, their operations all tend to increase money, and they differ only in unimportant details.

The banks of the United States are enabled through the fixed standard of value to add to their profits or capital every year the proportionate amount of the increase of the currency of the world which is constantly taking place; and they could do this legitimately, if managed with prudence, under a system of specie payments; therefore, there can be no reason why it should not be done under present circumstances; and it seems to follow, as a matter of course, that the banks and Government of the United States will never return to specie payments without an absolute reduction of the currency.

After quoting a short paragraph from De Quincy, apparently intended to show that there is resident in each and every commodity some mysterious force which induces it to be exchanged for some other commodity regardless of the principle of supply and demand. Mr. Carroll proceeds as follows:—"It is by this law of equivalents, this isodynamic, or equal force and intensity of value, tending to an equilibrium constantly but never resting, that money moves from place to place, and that every fraction of capital is attracted by and to every other fraction of capital throughout the commercial world."

It seems somewhat difficult to understand this specious proposition—"this law of equivalents, or equal force and intensity of value." Nothing, however, is plainer than the rule, supply and demand being equal, that a commodity, being the product of a given amount of labor, will always exchange for another commodity being the product of a similar quantity; but money is not naturally an equivalent for any commodity as money, it being neither wealth nor capital, but representave only. Nobody wants it for itself, but merely to purchase something else, or to pay for some other commodity already consumed. It is only when gold and silver shall cease to be money that they will be in a condition to be bartered or exchanged against other commodities possessing an equivalent amount of value or labor. Until then, a great part of their assumed value is fictitious and of the same nature as money of paper. It is true that the laws and customs of the world have made a certain weight of the precious metals equivalent to a certain amount of labor, although it may not have cost one-fourth of it. The arrangement is just of the same nature, and nearly as artificial, as making a greenback a legal tender for debts and taxes; excepting that gold cannot be quite produced in unlimited quantities. A greenback is much cheaper and more convenient to the community, but because we have not sufficient confidence in the wisdom

and honesty of the government, we give the banks and the producers of the precious metals the opportunity to rob us of the full amount of that constant addition to the currency which we have just noted. And whether we altar or abolish the system or not, fidelity to science demands that we should expose our error, notwithstanding it may have the sanction of time-honored names.

Money, then, is not an international equivalent, as the exports or imports of a country must always be balanced by an equal amount of labor exclusive of money, exactly as if no money existed. Gold and silver are merely surplus commodities, purchased at a monopoly price through the fiction of a standard value, and circulated gratis from those countries that are unfortunate enough either to import them direct from the mines or to produce them in sufficient quantities to increase price, having at the same time a large preponderance of other commodities to export.

If the principles of political economy laid down by all standard writers be true, there can be no necessary demand for money beyond the amount sufficient to keep the prices of other commodities steady and uniform. If it increases beyond that rate it must cheapen from over-supply. This, all parties admit, though Smith and Mill both assume that this incident would shortly react upon the interest of the producer and force him to cease his production. But they seem to forget that the markets of the of the whole world would have to be glutted before that period arrived; and therefore a vast amount of injury would accrue to some particular nations in the mean time. If Congress were to repeal the law which designates the amount of gold to be contained in a dollar, no one would be injured, but gold would be no longer imported at New York from California to be sent to other countries, it must take a less circuitous route. But suppose all countries should become wise and abolish their standard of value. Each country must then import all the gold she might require directly from the mines for her own purposes; but currency would hardly be one of them, at least for some time to come. That expense would be saved to the world in future whether at present it be borne equally or not; and gold would cease to be required in future to balance the exchanges between nation and nation.

Mill seems to differ with us, however, upon this subject of the demand for money. He says (page 298) "The demand for money differs from the demand for other things, in this, that it is limited only by the means of the purchaser. The demand for other things is for so much and no more, but there is always a demand for as much money as can be got."

Now it seems to me that these two demands must always be equal, the one precisely balancing the other. It perhaps might be admissible to assume that the desires of man are insatiable; but we are speaking of the

principles of a science which are said to check and balance each other. No doubt all traders having commodities to sell would like to dispose of them, at least as early as their neighbors, and would endeavor to do so, if they could obtain the cost, and the profit, upon their goods; but at this point their demand ceases. It is not an affectual demand for money; but only a desire for profit. Therefore an increased quantity of money could never get into circulation from such a demand, unless artificially created, and loaned for the purpose of speculation. And yet California gets rid of her money, and gets value in return, and would do the same thing if she produced three times as much; as she could pay her debts with it, as she does at present in any country in the world. And she may, notwithstanding, export a few millions worth of agricultural produce, for which she may have peculiar facilities of production. But her trade will probably be fitful, and chiefly with neighboring countries similarly circumstanced with herself. It is possible, also, that she may produce, if she has cheap labor, the coarsest kinds of clothing for domestic use, but beyond this she will hardly progress while the production of gold is profitable.

A bank currency no doubt would be an evil to California, as it has been to all other countries where it has been used; but it could not permanently increase prices even in California, nor lower the rate of interest. It is not necessary, however, that California should be troubled with such a currency, any more than with the credit system which has been built upon it. All honest people, if they were intelligent, would vote for the abolition of bank currency, as well as the credit system, and all other modes of unduly increasing money. Mr. Carroll talks of the law of equivalents, but no such thing exists, nor can exist, except by accident, under the present system of money and banking. And it is of no use splitting hairs upon the subject of notes, or bills on time, being money, or merely securities for money, as nothing can possibly be gained by it. Mr. Carroll is mistaken, however, Mr. Mill agrees with him, upon the very point upon which he seems to think they differ. Let us quote (page 314):

"A bill of exchange, when merely discounted and kept in the portfolio of the discounter until it falls due, does not perform the functions of money, but is itself bought and sold for money. It is no more currency than the public funds or any other securities." Mr. Carroll expresses himself to the following effect upon the same point.

"The effect of selling such bills in market is to convey the equitable ownership of so much of his goods or capital; it is to demand money or currency, and so far to appreciate general prices.

Now to me, these two ideas seem to be equivalent to each other, or rather they appear to be the same, though Mr. Mill does not carry it out to the same extent. It is not important, however, what relation any par-

ticular kind of bill or note, manipulated in a particular manner, bears to the currency, as all bills given for goods under a regular system of credit, will be sure to create others long before the goods are consumed; therefore, if any of them should be dishonored, the equitable ownership of the goods, which might have been conveyed half a dozen times, might not prove very good security in the end, and perhaps no security at all. But what is the use of following out these fanciful distinctions? Suppose we admit with Mr. Mill at once, "That bank notes, bills, as cheques, as such, do not act on prices at all; but what *does* act on prices is credit, in whatever shape given, and whether it gives rise to any transferable instruments capable of passing into circulation or not."

Here we have the whole matter in a nutshell. Whatever accelerates consumption, without demanding in return an equivalent production, must increase price, by altering the relative quantity of commodities to money or currency; operating exactly, upon the same principle, as an undue increase of money.

No doubt the whole credit or banking system ought to be abolished without delay, but the world will not be very easily pursuaded to abolish paper money. But if the subject should ever be really understood, it will abolish banks and banking, as there is no real necessity for such institutions as at present conducted. Banks of *deposit* for security and convenience merely, and not for the loaning of money, would be useful, and, therefore, admissible under strict regulations.

An inconvertible government currency, always kept at par with the currencies of other countries, would be infinitely preferable to the present system of banking and bank paper. The undue increase of money, and the credit system engendered by it, creates all kinds of uncertainty and fraud, and all kinds of commercial immorality, speculation and stockjobbing and the thousand social evils which grow out of it, and cannot be abated without the total destruction of this rotten foundation.

A government currency would benefit the whole people, while this system of fraud and wickedness is for the benefit *only* of a class of private individuals. Therefore it ought to be abolished without delay—the subject taking precedence of all others in the mind and action of the statesman as the most important and effective movement towards the much needed social reform. In fact, without it all other efforts at moralization must fail.

RICHARD SULLEY.

THE NEW WAR RUMORS FROM EUROPE.

One clear and luminous fact emerges from the cloud of war rumors which once more covers the surface of things political in Europe. This is the immense increase of importance which economical questions have gained over dynastic and political questions in the cabinets of Western Europe during the last ten years. It is quite possible that this fact may not avail to prevent an absolute shock of war on the Continent; but it is quite certain also that thanks to this fact, or rather to the influences which it shows us to be at work in the bosom of the European world, the shock of war if it comes will be greatly circumscribed in its sphere, and curtailed in its duration. Let us make this plain, for to do so, will be to render our readers a better service than we can do them by entering upon general speculations as to the truth or the falsehood of the fears and hopes with which the Atlantic Cable has been alternately charged during the last month.

The attention of diplomats, statesmen and the press in Europe has during this last fortnight been particularly fixed upon the relations of Belgium to the two great powers—France and Prussia—whose duel for the control of the Continent, all the world is now watching with an uneasy apprehension, lest at any moment the combatants may exchange the pen for the sword, and the protocols of prime ministers for the field-batteries of marshals. Placed, like what the railway men call "a buffer," between the frontiers of France and those of Prussia, Belgium occupies a political position not less compromising than her geographical position. She is in no received sense of the word a "nationality." Her people are neither sprung from one race, nor do they speak a common language; nor are they united by the ties and the associations of a long cemented political unity. Although nearly twice as populous as Switzerland, Belgium cannot be pretended to be nearly so strong and well-established a political fact in the European family as is the Helvetic Republic. For the Swiss, though widely separated from one another by blood and by religion, made up of Catholics in one canton and of Protestants in another, here speaking an antique dialect of the Italian, and there a modern patois of the German, Franks in Geneva and Romansch in the Tessin, are still essentially and predominently Swiss. As Swiss they have been banded together in war and peace for centuries, as Swiss they have conquered and kept a national independence which stands them in the stead of national greatness. Nothing like this can be said of the Belgians. The only concentrated and vigorous nationality which can be said to exist within the Kingdom of Leopold II., the Flemish, has nothing in common with the very modern history of the actual Belgium,

and overlaps the frontiers of France even more completely than the Basque nationality of Northeastern Spain overlaps the Pyrenees, or than the Savoyard nationality of Northwestern Italy overlaps the Alps. Belgium was called into existence a little less than forty years ago, partly by the resistance of the Flemish Catholics to the union with Protestant Holland, which had been forced upon them by the Great Powers at the Congress of Vienna in 1815, and partly by the co operation of France, which had her own objections to the perpetuation of a really powerful State on her Northeastern frontiers. England also, for reasons of her own, in 1839, joined in a guarantee of the independence of Belgium, and until within the last decade, it has been a recognized fact in European politics that Belgium must be considered, for all practical purposes, as an outwork of British power and British policy on the Continent.

The events of the last two years, which have so gravely modified the relations of Prussia with France have now brought forward the annexation of Belgium by the French Empire as one of the by no means remote possibilities of the existing situation; and the discussions excited by the mere suggestion of so important a consummation have thrown into a strong light the great change which has been wrought by recent economical influences in the relations of Belgium with France and with England, and of those two great powers with each other. While France maintained her protective policy, Belgium bore to the trade of Great Britain, with the central part of the European Continent, a relation not unlike that borne by Portugal to the trade of Great Britain with the Peninsula. Belgium, it is true, had a protective tariff of her own, and in this respect she cannot be exactly compared with Portugal, which for years had practically been a coast line of British "free ports" on the South Atlantic. But the Belgian tariff was far less restrictive than the French; and it was the commercial policy of Belgium on the one hand to make herself a grand depot of contraband trade with France, and of imitations of the French manufactures, and on the other hand, to secure the import trade of Great Britain by a partial discrimination in favor of British products. While this state of affairs continued England was the necessary friend, ally and defender of Belgian independence. Lord Palmerston always made the maintenance of Belgium one of the cardinal points of his European system; and it was a maxim of British politics that France must never on any account be permitted to make herself mistress of the formidable harbor and fortress of Antwerp.

The customs-reform inaugurated between England and the Continent by the co operation of the Emperor Napoleon with Cobden, Chevalier, and other enlightened economists in England and France, has, however,

put an end to this state of affairs. In 1865 the Belgian government, acting in harmony with England and with France, systematized the Belgian tariff, and recast its whole code of customs duty. All differential duties were suppressed, a general tax of *ten per cent* imposed on manufactured goods and raw materials, with the exception of iron, and castings of iron admitted free of duty.

The result of these economical changes in the legislation of the three countries has been to make the union of Belgium with France desirable rather than undesirable to England. Such an union would at once increase the already enormous trade of Great Britain, both with France and Belgium. How greatly it would develop what would then become the internal trade of Belgium united with France, we may judge, in a measure, from the simple fact that the trade of independent Belgium with France, which, in the six years between 1856 and 1862 had increased only from 200,000,000 francs to 321,000,000 francs, rose in a single year after the commercial revision of 1865 from 350,000,000 francs to 442,000,000 francs. But the point on which we desire to fix the reader's atttention to-day is not so much the probable advantages to Belgium, to France or to Great Britain of a union between the Belgian monarchy and the French empire as the instructive and striking fact that by simply opening the door of trade between England and France and Belgium, the Emperor Napoleon has in three year's time undone the political work of a generation, and made possible at least without the firing of a French or British gun in anger, that which even ten years ago could not have been attempted without involving France and Great Britain in a tremendous war. The opposition which a project of annexation between France and Belgium would now encounter will come not from England, but from Prussia and from a party in Belgium itself. The reigning sovereign of Belgium is a member of the House of Orleans. Brussels, which is, in fact, a kind of little Paris, has throughout the whole period of the empire, been the refuge of discontented or exiled Frenchmen, who have there been able to print and to say the things and the books suppressed by the police of Napoleon in the French capital. A large and respectable party of Belgians, too, regard with extreme dislike the existing regime in France, and would be very averse to the swamping of the Belgian Parliament in the *Corps Legislatif* of Imperial France. Prussia, too, will do her best to persuade Belgium that it will be better to see Holland absorbed by the North German Empire, and to put herself under the protection of that empire against France, than to join with France in preventing the extension of the North German Empire by Holland to the North Sea.

These influences and others of less weight and power will, no doubt, conspire to adjourn the absorption of Belgium by France, or to make

that absorption the price of a severe continental war. On this head speculation may indulge itself liberally. But as it is demonstrably certain that the most powerful bulwark of Belgian independence has already been destroyed by the pacific operation of great commercial laws, so we may be permitted to believe and to hope that by the operation of the same laws in other regions of Europe, whatever convulsions may attend the completion of the new order of things abroad will be notably mitigated and robbed of their power for working protracted evil.

THE GOLD PREMIUM.

The wide fluctuations of late in the gold premium, and the possibility that the price may settle at a higher point than has ruled during the past year gives rise to much uneasiness amongst those directly connected with foreign trade. The illusion which for a while existed, that the gold premium was to decline gradually until it reached par, and then the banks and government would resume specie payment without any effort, has quite passed away. Of course there never was any foundation whatever for such an expectation. The idea would never have had sufficient buoyancy to float itself had it not been for the vitality given it by the low rate (25 per cent) which obtained for some time in 1866. Some argued that if it had fallen to such a point why should it not go further; failing to realize that the decline was a temporary one induced by temporary causes. Gold is now merchandize. Its price within certain limits is the result of supply and demand. A free sale of bonds in Europe during 1866, together with large shipments of cotton at high prices, furnished all the exchange the market required. Hence, there being but little demand for gold except for duties, the Treasury, by more than supplying that demand, established temporarily a low rate for it. But it is not our object at present to suggest what point gold is to reach hereafter, or whether even the price now ruling will be maintained, but simply to enquire whether (the actual depreciation of the currency remaining the same) a further advance in the gold premium will be advantageous or otherwise to the general interests of the country.

The immediate effects of such an advance are self evident. Take our greatest branch of production, agriculture. We will suppose for the sake of simplicity, that two commodities represent the agricultural interests of the country, Cotton and Wheat, for as these are affected, so will the value of all exportable products be determined. If, then, gold goes up to 100 per cent premium, and cotton is worth in New Orleans, in gold, 16 cents to ship to Liverpool, the planter will get 32 cents minus commissions, &c. If, on the other hand, the premium is but 50 per cent

the cotton will sell for 24 cents in currency, and will realize but about three-fourths as much as if the gold were at 100. Very clearly (all other things remaining stationary), it is greatly for the planters' interest that the premium be advanced as much as possible, since the higher it goes the more he gets of what he is obliged to accept as money.

The same will be true of the western farmer. If his wheat is worth $1 50 in gold at New York for export (and whatever it is worth for that purpose will determine its price), and the gold premium is 100, he will get $3 00 per bushel for his wheat in currency; while if the premium is but 50 per cent he will receive but $2 25. The farmer, then, will desire that the premium should be very high—because the higher it is the richer he is *in greenbacks*, unless the expenses of production correspondingly increase.

The position of the wool grower is unlike that of the producers of cotton or grain. As there is no surplus of wool that must necessarily be exported, the currency price of it will not be directly raised by the advance of gold premium, as in the case of cotton and breadstuffs, but so far as wool is protected by the tariff, the protection will increase as the premium on gold rises. For example, if the duties are 20 per cent in gold, and the premium on gold 50, the protection is equal to 30 per cent in currency; but, should the gold advance to 100, the protection is 40 per cent, and so far as foreign competition is concerned, the wool grower may demand a higher price than he otherwise could; but, on the other hand, if he would purchase foreign stock or raw material, the price of it will of course be enhanced by the rise of gold.

Another great national interest is that of the cotton manufacturers, who are also situated quite differently from those engaged in agriculture; for, as the premium on gold advances, so the currency price of their raw material rises, as we have just seen, while at the same time the protection afforded by tariff duties is increased. But the export trade in manufactured cottons having been annihilated by the depreciated currency of the country, the manufacturer cannot gain in the price of his commodities from the rise of the gold premium as the planter does upon his cotton. Furthermore, if his goods are of such a character that the protection, when the premium on gold is 50 per cent, is sufficient to prevent foreign competition, then the rise of the premium above that point is of no advantage to him, but, on the contrary, he will suffer by the enhanced prices of foreign articles he may be obliged to consume.

The remaining interest we shall notice is that of labor. How does a rise in the gold premium affect wages and salaries? They will rise, but not instantaneously, nor to an equal extent with the general rise of those commodities that are particularly influenced by the price of gold.

The events of the last five years have demonstrated in a remarkable manner the effects upon wages of a general rise of prices occasioned by a depreciation of the currency. Probably at no time, nor in any part of the world, has the result of a false standard of value upon prices and wages been so fully exhibited as in the United States within the last five years; and the evidence is most conclusive that wages neither rise as soon, nor as high, as the commodities which the laborer consumes. It has been satisfactorily ascertained that the rise of wages, take all kinds of labor and services together, is but about half as much as that of commodities. We cannot go into the reasons for this, but the fact is not disputed that wages do not rise in proportion to the rise of those things which labor creates, when the rise is occasioned by an expanded currency. If this be true, then the laboring class must lose by the advancing premium on gold, so far as that causes a temporary rise of prices.

From this brief and necessarily imperfect sketch of the direct effects of a rise in the gold premium, it is quite apparent that there is a wide difference in its influence upon different classes—no two being affected in precisely the same manner, or to the same extent; and it would also appear on a close examination that what is gained by a particular interest in one direction, is lost in another; that while the farmer and planter gain by a rise of prices occasioned by an advance in gold, they lose this advantage in the additional price they pay for whatever they consume, and in the rise in wages. The same is true of every other interest, except labor, in regard to which there is this distinction, that while other interests may gain more than they lose, labor must lose more than it can gain; and therefore it is that upon the laboring classes falls mainly the loss which the country suffers from a defective standard of value. A little reflection upon the gains and losses to which we have referred, is sufficient to convince any intelligent mind, that under an irredeemable and depreciated currency the whole trade and industry of the country is in a perturbed and unnatural condition; the fluctuations in gold so affecting values that chance reigns instead of law, chaos instead of order.

But there is a point below which it is not desirable (while the currency remains the same) that the gold premium should fall; for the premium should always be so high as to represent as fairly as possible the real depreciation of the existing currency. The value of gold as measured by the currency, should be the same as the value of commodities in general when measured by the same standard. Gold should be no cheaper than other articles of commerce, for if so the country will be drained of it. That is the process that has been going on in the United States for the last three years. The fact that we have a large amount of National bonds, and that Europeans are willing to buy them at the low

rate, (about 70 cents on the dollar) at which they have been selling, has enabled us in the past to pay our increasing foreign balances with them. This has temporarily checked, or, we should say, diminished the outflow of gold. But with about fifty millions of gold interest to pay in the future, we should most fear any influences used to keep down the price making gold cheaper than other commodities. A depreciated currency causes of itself evil enough, as we all too well know; but a depreciated currency continually doctored by legislation, and restrained in its movements by official interference, is far more injurious in its final results. We may be able to depress the price of gold for a time, or in other words cheapen it, while we thus increase our imports and decrease the currency value of every exportable article; but like a rising river the natural flow of which has been stayed by artificial means, when it once breaks away from its bonds, the injurious results will only be the more widespread and complete.

There is but one conclusion we will draw in view of these facts, and that is that the general interests of the country require a speedy return to a specie basis. How long can we submit to the drain of gold and bonds which for the past few years has been going on? If our trade balance in the past has been against us so that we have been compelled to ship a large amount of government securities to settle it, how will it stand when this bond movement stops, and with our foreign interest account added?

PACIFIC RAILROAD OF MISSOURI.

The Pacific Railroad of Missouri extends from St. Louis directly west to the Kansas line, 283 miles, where it forms a close connection with the Union Pacific (E. Div.) Railroad, already completed to Coyote, 356 miles beyond that point, making the whole distance from the Mississippi River to the present western terminus of the joint lines, 369 miles. It also connects at Kansas City with the Missouri River Railroad, extending thence to Leavenworth, 33 miles, and operated under lease by the Pacific Company.

This company is one of the great Land-Grant and State-Aid corporations of Missouri. It was chartered February 12, 1849, and organized January 30, 1850. In June of the latter year the surveys for the projected line were commenced, and July 4, 1851, the formal breaking of ground took place. Construction was carried on with frequent interruptions through the following fifteen years, and was completed only in October, 1865, when the whole line was brought into operation. The details of operations through the intermediate years are

given in an article published in the CHRONICLE of October 27, 1866. We refer to this article also for other valuable statistics not repeated in our present number.

The Southwest branch of the Pacific Railroad, constructed chiefly on credit and State aid, and which formerly belonged to this company, has been sold to a new organization, and will form the first link in the projected Atlantic and Pacific Railroad. In the following review its accounts have been separated from those of the present Pacific Company.

The equipment of the Pacific Railroad is now sufficient for the business transacted on it. The number of engines placed on the road since the commencement of operations has been 63. On the 1st March, 1868, there were on the line 52, 5 of the 63 having been condemned, and 6 turned over to the Southwest branch. At the same date the company had 41 passenger, 6 mail, 17 baggage and express, 30 caboose, 270 box, 224 flat, 175 stock, and 7 other cars; also 25 stationary engines for pumping water. The sleeping car company had 4 cars on the road, and the St. Louis and Pacific Express freight line 50 box cars.

The list of engines and cars owned and in use by the company on the first of March, 1864–68, both inclusive, was as follows:

	1864.	1865.	1866.	1867.	1868.
Locomotives	38	42	48	47	52
Passenger Train Cars—					
Passenger	24	26	31	41	41
Mail	6	6	7	7	6
Baggage and express	8	8	17		17
Freight Train Cars—					
Caboose	18	20	23	29	30
Box	164	184	239	269	270
Flat	118	218	211	221	224
Stock	88	98	133	144	175
Service cars	4	4	15	7	7

The mileage made by engines in the same five years, with the total cost and cost per mile for repairs, &c., is shown in the following exhibit:

	1864.	1865.	1866.	1867.	1868.
Engine mileage	....	698,977	831,433	1,199,660	1,405,886
Cost of repairs, &c	$....	$232,395	$348,942	$464,829	$523,434
Cost of rep'rs, etc., per m	....	33¼c.	43c.	38¾c.	37¼c.

These figures, meagre as they are, will serve to explain in some measure the general operating expenses given in the following paragraph.

The gross earnings from operations in the years ending with February, 1864–1868, both inclusive, have been as exhibited in the following comparative statement:

	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$
Passenger earnings	313,790 41	453,880 41	631,245 11	1,166,318 31	1,264,398 01
Freight earnings	560,744 59	609,272 14	924 075 86	1,465,373 25	1,694,233 38
Mail earnings	28,350 00	30,487 50	37,996 25	44,183 28	45,049 92
Rents	3,860 95	5,127 64	1,039 00	.....	.....
Total gross earnings	906,745 95	1,097,967 69	1,794,356 22	2,675,874 84	3,003,681 31
Operating expenses	546,161 99	886,483 23	1,393,530 08	1,956,644 84	2,030,626 38
Nett revenue	360,583 96	211,484 46	400,826 14	719,230 00	973,054 93

The gross earnings were divided proportionately as follows:

Operating exp's. p.c.	60.23	80.74	77.66	73.10	67.61
Nett revenue, p. c.	39 97	19 26	22.34	26.99	32.39

The increase of gross earnings, operating expenses and nett revenue yearly, over each preceding years, is shown in the annexed statement:

	1864 over 1863.	1865 over 1864.	1866 over 1865.	1867 over 1866.	1868 over 1867.
Gross earnings, per cent	33.35	21.09	63.42	49.13	12.25
Operating expenses, p. cent	20.69	62 31	57 19	40.41	3.78
Nett revenue, per cent	58 57	.	89.05	79.44	35 29
Nett revenue decreased	....	41.34	....	....	....

The following shows the average length (miles) of road operated in each of the above years, and the gross earnings, operating expenses and net revenue per mile:

	1863-4.	1864-5.	1865-6.	1866-7.	1867-8.
Miles of road operated	194	214	253	283	283
Gross earnings, per mile	$4,673 95	$5,130 69	$7,120 46	$9,455 38	$10,613 71
Operating expenses, per mile	2,815 26	4,142 44	5,529 88	6,913 94	7,175 36
Nett revenue, per mile	1,858 69	988 25	1,590 57	2,541 44	4,438 35

The whole line from St. Louis to Kansas City (283 miles) was brought into operation October 2, 1865. For the year ending February 29, 1866, the gross earnings per mile were $7,100 46, and in the year ending February 29, 1868, they were $10,613 71, an increase of $3,493 25, or 49·07 per cent. The operating expenses in the latter year were greater than the gross earnings of the former year. In the meanwhile the nett revenue rose from $1,590 57 per mile to $3,438 35, an increase of $1,847 78, or 116 per cent. The decrease in operating expenses is remarkable: in 1864 5 they were 80·74 per cent of gross earnings, and in 1867-8 67.61 per cent, a decrease equivalent to 16·26 per cent. These facts are encouraging; they show not only that the business of the line is rapidly increasing, but also that it has been managed with an intelligent economy that augurs well for the future of the enterprise. One great drawback has been experienced in the fact that the guage of the road is different from that of the lines connecting at either terminus. The guage of the Pacific (Mo.) Railroad is 5 feet 6 inches, while the guage of the Illinois lines, and also of the Union Pacific (E. D.) Railroad is 4 feet 8½ inches. To remedy this anomaly and to secure more complete connections the company have decided to change the guage of their road to that of the neighboring roads. This will secure a great uniform line of roads from New York, Boston, Philadelphia, Baltimore, &c., to the furthest west. Improvements in the way of auxillary lines will be adopted. The Osage Valley and Southern Kansas Railroad, nearly completed from Boonville to Tipton is the pioneer. Its ultimate destination is Fort Scott in Kansas. The Pacific Company have taken a thirty years' lease of this road, and will probably open the first section early in September.

In order to show the progress of the Pacific (Mo.) Railroad *ab initio* we compile from the record the following statement of the mileage operated, and the earnings thereon yearly, since the opening of the first section in December, 1852:

Years.	Miles.	Earnings.	Years.	Miles.	Earnings.
1852 (8 days)	6	$108 15	1860-61	174	$633,644 28
1853 (year)	23	41,323 29	1861-62	189	457,183 69
1854-55 (14 mos.)	71	97,178 39	1862-63	189	679,956 06
1855-56	81	330,222 34	1863-64	194	906,745 95
1856-57	125	426,235 97	1864-65	214	1,097,967 69
1857-58	125	663,346 59	1865-66	252	1,794,356 22
1858-59	152	674,248 95	1866-67	283	2,675,874 84
1859-60	165½	648,600 00	1867-68	283	3,003,681 31

The financial condition of the company, March 1, 1864–68, yearly, is shown in the following exhibit, being abstracts from the general balance sheets made up at date:

	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$
Capital stock	3,493,715	3,497,085	3,581,598	3,609,115	3,614,515
State loan	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Land grant sales and rents	109,188	112,432	131,295	200,358	219,300
Transportation receipts	5,567,957	6,645,300	8,401,010	11,092,480	13,963,585
Mortgage construction b'ds	....	1,314,000	1,500,000	1,500,000	1,500,000
St. Louis county bonds	...	12,350	700,000	700,000	700,000
Real estate (land) bonds	....	....	....	....	149,000
Bills payable	48,144	241,909	911,688	1,100,328	649,555
Accounts audited	75,908	408,003	288,754	255,807	156,726
Total	16,294,845	19,229,380	22,524,347	25,458,089	27,952,682

Against which aggregates are charged the following, viz.:

Construction	8,507,993	10,115,728	11,233,133	11,418,794	11,479,635
Rolling stock, etc.	761,447	1,101,970	1,504,015	2,049,674	2,195,655
Missouri River Railroad	....	....	....	6,511	10,901
Office expenses	119,471	133,635	151,259	173,989	194,473
Contingencies	73,026	75,062	76,110	75,960	80,553
Interest account	718,828	750,241	953,297	1,176,259	1,388,358
Discount on construction, &c., bonds	8,860	8,860	8,860	8,860	8,865
Commission on purchases	17,375	17,375	17,375	17,375	17,373
Interest, disc'ts & commis.	1,137,994	1,141,078	1,238,933	1,238,933	1,238,930
Land grant expenses	5,557	5,362	6,044	6,834	7,243
Transportation expenses*	4,616,148	5,502,631	6,896,161	8,852,806	10,883,052
Balance, March 1	328,442	377,432	439,156	432,089	447,297
Total	16,294,845	19,229,380	22,524,347	25,458,089	27,952,682

RAILROAD STOCKS AND EARNINGS.

We have repeatedly directed attention to certain considerations connected with the management of our railroads, calculated to affect injuriously the value of their stocks for investment. The now unsettled condition of the stock market, and the fall in the prices of leading shares, comes in as a direct confirmation of our views. For several months past, the stock market has been in a "cliqued" condition. The major

* Including $1,222,721 54 charged against transportation receipts for interest on State bonds prior to January, 1859.

portion of the stocks of the principal roads has been bought up by combinations of capitalists, who, having secured the direction of the companies' affairs, conduct the management with a view to the inflation of the value of the stocks. In some instances, the necessary expenditures for keeping the roads in condition have been severely curtailed, so as to secure larger net earnings and pay increased dividends; and in others, where a cash dividend has not been fairly earned, large dividends in stock have been made, (said to represent money sunk in the permanent improvement of the roads), the addition to the share capital of the principal roads upon the New York Stock Exchange having been fully $45,000,000 within the last fifteen months. By these means, and by holding the prices of stocks steady under the fluctuations of the money market, the aim has been to establish a higher scale of prices for stocks, and thereby enable the cliques to sell out at a profit. The result of this policy is now beginning to appear. The public seem to have understood the tactics, and have stood aloof from the stock market with remarkable persistency, the transactions at the boards during the summer months having been little over half what they were at the same period of 1867, although the extreme ease of money has been very favorable to speculation; and, judging from the very general testimony of brokers, we should conclude that parties holding stocks as an investment have unloaded, to a large extent, upon the combinations at the late high prices. These combinations having thus proved a failure, the more conservative members of them are becoming wearied of a fruitless effort to practice upon the public, and are said to be throwing their stocks upon the market. The near approach of the usual activity in money connected with crop movements, warns them that they cannot hope to carry their burdens through the fall months without embarrassment, and the more so because the banks have very prudently declined to make time advances upon stocks, a course which they have heretofore adopted with very serious inconvenience to the commercial interests of the country, but which they feel indisposed any further to follow. The consequence of this realizing movement has been a considerable fall in the price of railroad shares generally, but in Erie and New York Central especially. Erie has fallen from the late average price of 70 to 44½; while New York Central has fallen about 10 per cent. The decline in these stocks has been, to a certain extent, connected with schemes for controlling Erie so as to run the road in opposition to the Central Company. On Wednesday the Erie transfer books were closed, about thirty days in advance of the usual period, with the purpose, as is stated, of insuring the continuance in power of the present management of the road, a majority of the stock standing registered in their

names at that date; and it is now reported that the directors have bought four lines of Sound steamers, and leased the Boston and Providence Railroad, with a view to diverting eastern traffic from the New York Central road, the funds for said object to be raised by the issue of $6,000,000 more of convertible bonds. At present we are not aware whether these things are accomplished facts; but negotiations have certainly been in progress to the effect stated. These developments are but another illustration of the reckless management of our railroads, and have materially aggravated the demoralization of the stock market.

The late improvement in the railroad earnings has doubtless laid a basis for a proportionate increase of confidence in stocks, as a source of investment, had the management been at all conservative or prudent. But the public have so entirely lost confidence in the stability of stocks, that they appear indisposed to take them, except at prices below what may be considered a fair value, based upon earnings; and nothing but a thorough reform of management can restore this lost confidence. These remarks, we are glad to say, do not apply to all the roads. We think we have discovered a growing disposition in some boards to separate themselves from all suspicion of using the property they hold in trust for their own private ends. Legislation also can do much to increase this improving tendency and check this evil wherever it exists. We have called the attention of our legislators frequently to this subject. If every State would require every railroad corporation existing under its laws to publish monthly a statement of its earnings and expenses, and a more detailed account quarterly, directors would be robbed of much of their present speculative power. Other remedies have been suggested by us from time to time, and we have not space to repeat them here; but we think if the publication referred to is required, one long step on the road to a thorough reform in management will have been taken.

From the subjoined statement it will be seen that the gross earnings of the principal roads for July exceed those of the same month of 1867 by about 9 per cent; while for the first seven months of the year there is an average gain of 10 per cent. There has been a slight increase in the mileage of the roads, but not sufficient to affect this result; the average gross earnings per mile, for the seven months, being $5,311 against $4,891 in 1867, an increase of 10 per cent. It is to be presumed that there has been also an increase of expenses; but probably not in proportion to the gain in earnings, the cost of some materials of repair, especially iron, having declined during the interim. The large amount of grain to be moved over the roads the next six months is likely to keep up this increased rate of earnings. The gross earnings of the

under-specified railroads for the month of July, in 1867 and 1868, and for the first seven months of each year are exhibited in the subjoined statement:

GROSS EARNINGS FOR JULY, AND FOR THE FIRST SEVEN MONTHS OF 1867 AND 1868.

Railroads.	July		Seven Months	
	1867.	1868.	1867.	1868.
Atlantic and Great Western	$400,116	$341,266	$2,860,346	$2,578,166
Chicago and Alton	354,244	405,617	1,951,856	2,208,279
Chicago and Northwestern	880,894	1,091,466	5,476,618	6,933,089
Chicago, Rock Island & Pacific	274,800	329,800	1,857,601	2,221,891
Cleveland and Pittsburg	210,134	229,973	1,297,153	1,393,100
Illinois Central	525,242	576,458	3,548,075	3,501,524
Marietta and Cincinnati	106,594	108,413	694,187	680,728
Michigan Central	313,021	321,013	2,257,709	2,406,411
Michigan South. & North. Ind	312,879	301,500	2,363,551	2,613,793
Milwaukee and St. Paul	365,156	423,200	2,355,557	2,935,300
Ohio and Mississippi	234,633	194,455	1,783,940	1,577,534
Pittsburg, Ft. W. & Chicago	537,381	571,834	3,917,747	4,338,734
Toledo, Wabash and Western	309,591	283,833	1,969,628	1,937,855
Western Union	58,262	59,762	321,119	382,807
Total	$4,882,377	$5,238,590	$32,585,217	$35,709,211

The following statement shows the gross earnings per mile of the same roads during the first seven months of the two years:

GROSS EARNINGS PER MILE DURING FIRST SEVEN MONTHS OF 1867 AND 1868.

Railroads.	Miles		Earnings		Differ'e	
	1867.	1868.	1867.	1868.	Incr.	Dec.
Atlantic & Great Western	507	507	$5,642	$5,085	$...	$557
Chicago and Alton	280	280	6,971	7 886	915	...
Chicago and Northwestern	1,152	1,152	4,754	6,019	1,265	...
Chicago, Rock Isl. & Pacific	410	452	4,531	4,916	385	...
Cleveland and Pittsburg	229	229	5,664	6,083	419	...
Illinois Central	708	708	5,011	4,945	...	66
Marietta and Cincinnati	251	251	2,488	2,712	224	...
Michigan Central	285	285	7,922	8,922	521	...
Michigan South. & North. Ind	524	524	4,507	4,984	477	...
Milwaukee and St. Paul	827	827	2,861	3,549	688	...
Ohio and Mississippi	340	340	5,246	4,637	...	609
Pittsburg, Ft. W. & Chicago	468	468	8,371	9,271	900	...
Toledo, Wabash and Western	521	521	2,778	3,719	....	59
Western Union	180	180	1,784	2,127	343	...
Total	6,682	6,724	$4,891	$5,311	$420	$...

CONDITION OF THE NATIONAL BANKS.

The July quarterly statement of the condition of the National banks, published in our last number, presents some features to which the attention of the banking interest needs to be directed, and the interesting and elaborate table given below, furnished by the Comptroller of the Currency, affords all the details necessary for making the examination. In certain respects, the return is a satisfactory one; in others, it is not so. The deposits show a very large increase upon those of the same period of last year, there being in all the banks of the country $575,644,604 of individual deposits, against $537,882,949 for the same period of 1867. This indicates a relaxed condition of business, and is so far an unhealthy symptom. The generally low rates of interest are a natural result of this plethora of idle funds, and simply means that at present business is not sufficiently remunerative to tempt capital into employment. When legit-

imate business, however, is least active, speculation is apt to be most so: and the present condition of the loans aptly illustrates this rule. The loans and discounts of the banks stood, on the first Monday of July, at the very large total of $655,525,346, which is about $67,000,000 over the aggregate at the same period of 1867. Considering that the general business of the country is unusually dull, none of this increase can be regarded as due to an addition to the discounts, and it is, therefore, to be concluded that the expansion is mainly upon demand loans, consisting chiefly of advances upon stock collaterals. The amount of railroad stocks has been increased during the year $40,000,000 to $50,000,000 by share dividends or by other issues of new stock, and the prices of stocks are generally much higher than a year ago, as will be seen from the following comparison of prices of leading shares:

	June 28, '67.	July 3, '68.		June 28, '67.	July 3, '68.
New York Central	104¾	134¾	Northwestern pref	65¼	79¾
Erie	66⅜	70¾	Rock Island	95¾	105¾
Hudson River	109¾	139	Fort Wayne	103¾	x.d109¾
Michigan Southern	78¾	91¾	Illinois Central	121½	157¾
Michigan Central	110¾	119			
Northwestern	42¾	75¾	Total prices	898¾	1,082¾

It is thus seen that railroad shares ranged, at near the date of the quarterly statement, about 20 per cent above the prices of a year previous; which, of course, called for a proportionate increase of advances upon this class of securities. This is an expansion of loaning operations in a direction least to be desired, inasmuch as it indicates a growth of speculation rather than of legitimate business operations. The expansion implies a certain degree of danger, when the trade of the country assumes more activity; but it is the speculators rather than the banks that are threatened.

It cannot be said that the loans and discounts of the banks are out of reasonable proportion to either their capital or deposits. The capital and deposits combined amount to $995,451,511, against $655,525,346 of loans and discounts; so that the loanable resources are 52 per cent in excess of the advances actually made. In 1860 the capital and deposits together aggregated $675,000,000, while the loans and discounts were $692,000,000. So that the condition of the banks, in respect to loans, is much more conservative now than eight years ago. There is, however, this difference between the two periods; the banks in 1860 made their advances to a larger extent upon capital than at present, their capital being $422,000,000, and deposits $253,000,000; while the capital of the national banks now is $419,806,511, and the deposits $575,644,604. Or, to present the difference in another aspect, in 1860 the capital was 62 per cent of the loans, and in 1868, 54 per cent; while the deposits were, in 1860, 36½ per cent of the loans, and in 1868, 88 per cent. But although the loans now are less upon capital and more upon deposits than in 1860, yet considering the very large amount of deposits, it can hardly be fairly

assumed that the loans are imprudently expanded. The very large amount of deposits, as compared with eight years ago, very strikingly illustrates the present comparative stagnancy of trade; and, at the same time, it suggests a ready explanation of the fact of the prices of securities being so much higher than in former years.

But the Comptroller's exhibit given below is particularly important as showing the condition of the reserves of the banks, since these figures give us light as to their stability. No subject is so important to the people; and if they are once convinced that the financial machinery is working more smoothly, more efficiently, and with more safety than any other we are likely to have in its place, we shall soon hear far less in favor of those unfortunate destructive measures which are urged before each succeeding Congress. Fears have been expressed lest the contraction of the greenback circulation, and especially the redemption of the Compound Interest Notes, would induce the banks to run upon a much smaller reserve. These apprehensions are now, however, proved to have been groundless. The official returns show that the banks are much more than living up to the law. The New York city banks held, at the date of the statement, $17,200,000 of available reserve, in excess of the amount required by sections 31 and 32 of the National Currency Act, the surplus being 6.9 per cent over the legal requirement. In the other cities named in section 31 of the Act, there is an excess of reserve amounting to $19,600,000 or 7.92 per cent beyond the legal limit of 25 per cent. The per centage of excess is largest at Philadelphia, being there 11.8; and next at Boston, Chicago, and New Orleans. At Cincinnati, the available reserve is only 1.6 per cent beyond the amount required; while at Cleveland and Leavenworth it falls below the limit. These points are illustrated in an official exhibit given in our last issue. The table subjoined gives an analysis of the reserve of those banks required to maintain a reserve of 15 per cent, commonly designated the country banks. While in the redemption cities the reserve averages 7½ per cent beyond the lawful requirement, the reserve of the country banks averages nearly 9 per cent in excess; a fact which satisfactorily refutes the impression that the latter class of banks have not maintained a very conservative regard for their reserve. The reserve stands lowest in the District of Columbia, Utah and Texas, where the excess ranges from 2.2 to 4.2 per cent; and highest in the Southern States, ranging from 21.4 per cent in Georgia, to 46 per cent in South Carolina. In the New England States the ratio of excess is comparatively low, ranging from 6.4 per cent in Vermont to 8.6 per cent in New Hampshire. In New York State the excess is 7.7 per cent, in Pennsylvania 7.8 per cent, and in New Jersey 9.9 per cent. In the Western States the excess varies between 6.2 per cent in Indiana to 17.4 per cent in Iowa. The amount of reserve required at the date of the statement, to be kept in the vaults of the country banks was $25,100,000; whereas they actually held $48,800,000. That portion of required reserve allowed by law to consist of balances due from redeeming agents was $37,700,000, while the actual amount was $51,700,000. In a word the return, as a whole, must be viewed as satisfactory, not only as measured by the legal standard, but also as tested by the requirements of conservative banking. Below we give the exhibit as sent us by the Comptroller of the Currency.

STATEMENT OF THE CONDITION OF THE LAWFUL MONEY RESERVE, REQUIRED BY SECTIONS 31 AND 32 OF THE NATIONAL CURRENCY ACT, OF NATIONAL BANKS LOCATED OUISIDE OF THE CITIES NAMED IN SECTION 31, AS SHOWN BY THE QUARTERLY REPORT OF THE CONDITION OF EACH BANK ON THE MORNING OF MONDAY, JULY 6, 1868.

States, &c.	No. of Banks reported.	Circulation outstanding.	Deposits including balances due to Banks and bankers.	Aggregate of Circulation and Deposits.	Reserve required. 2-5 of 15% required to be kept in the vaults of the Bank.	Reserve required. 3-5 of 15% which may consist of balances due from redeeming agents.	Per cent.	Aggregate amount of Reserve required.
Maine	60	$7,438,326	$5,983,781	$13,422,107	$805,326	$1,207,989	15	$2,013,316
New Hampshire	40	4,275,308	2,441,807	6,717,110	403,026	604,539	15	1,007,566
Vermont	40	5,723,684	2,678,041	8,401,725	504,103	756,155	15	1,260,258
Massachusetts	161	31,515,840	22,644,150	54,159,990	3,249,599	4,874,399	15	8,123,998
Rhode Island	62	12,617,195	7,321,325	19,938,520	1,196,311	1,794,467	15	2,990,779
Connecticut	81	17,656,561	14,566,458	32,223,019	1,933,381	2,900,071	15	4,833,452
New York	239	30,224,210	48,195,713	78,419,923	4,705,195	7,057,793	15	11,762,988
New Jersey	54	9,388,059	14,555,330	23,943,389	1,436,603	2,154,905	15	3,591,508
Pennsylvania	152	20,847,459	26,978,811	47,826,270	2,869,576	4,304,364	15	7,173,940
Delaware	11	1,215,845	1,451,639	2,667,484	160,049	240,073	15	400,122
Maryland	19	1,795,252	2,728,593	4,523,845	271,430	407,146	15	678,576
District of Columbia	1	89,430	68,761	158,191	9,491	14,237	15	23,728
Virginia	19	2,053,420	4,087,800	6,141,220	368,473	552,709	15	921,183
West Virginia	15	1,968,712	2,675,673	4,644,385	278,663	417,994	15	696,657
North Carolina	5	315,760	811,597	1,127,357	67,641	101,462	15	169,103
South Carolina	3	146,090	1,525,446	1,671,526	100,292	150,438	15	250,730
Georgia	8	1,230,935	2,854,726	4,085,661	245,139	367,709	15	612,849
Alabama	2	267,405	378,821	646,226	38,773	58,160	15	96,933
Mississippi	1	40,500	....	40,500	2,430	3,645	15	6,075
Texas	4	391,775	1,087,578	1,479,353	88,761	133,141	15	221,903
Arkansas	2	179,415	692,252	871,667	52,300	78,450	15	130,750
Kentucky	11	1,536,621	1,330,630	2,867,251	172,035	258,052	15	430,087
Tennessee	11	923,163	3,284,799	4,207,962	252,477	378,716	15	631,194
Ohio	123	13,273,575	17,421,466	30,695,041	1,841,703	2 762 553	15	4,604.256
Indiana	70	10,985,239	8,601,801	19,587,040	1,175,222	1,762,833	15	2,938,056
Illinois	69	5,407,510	10,334,132	15,741,642	944,498	1,416,747	15	2 361,246
Michigan	37	2,775,536	4,127,895	6,902,431	414,205	621,308	15	1,035,514
Wisconsin	31	1,747,519	3,275,292	5,022,811	301,368	452,052	15	753,421
Iowa	44	3,147,461	7,645,975	10,793,436	647,606	971,409	15	1,619,015
Minnesota	14	1,378,776	2,410,936	3,789,712	227,382	341 074	15	568,456
Missouri	10	663,990	1,895,633	2,559,623	153,577	230,366	15	383,943
Kansas	3	159,316	386,124	545,440	32,726	49,089	15	81,816
Nebraska	4	168,700	1,825,620	1,994,320	119,659	179 488	15	299,148
Colorado Territory	3	254,000	829,019	1,083,019	64,981	97.471	15	162,452
Utah "	1	135,000	71,450	206,450	12,397	18.580	15	30,967
Nevada "	1	131,010	86,855	217,865	13,071	19,607	15	32,679
Total	1,411	$192,068,592	$227,255,956	$419,324,548	$25,159,472	$37,739,209	15	$62,898,681

States, &c.	Reserve available. On hand.	Per cent.	Due from redeeming and reserve agents.	Per cent.	Aggregate amount of available reserve.	Per cent.	Items of Reserve on hand. (2-5 of 15% of Circulation must consist of these.) Specie.	Legal Tenders.	(2-5 of 15% of deposits may consist of) Comp'nds.	Three per cent Certificates.	Reserve exceeds what is required by law by the following amounts of Specie and Legal Tenders.	Other items making up the reserve.	Total amount of excess of reserve.	Per centage of excess.
Maine.....	$1,094,479	8 1-10	$1,796,979	13 4-10	$2,891,458	21 5-10	$41,227	$927,822	$95,430	$30,000	$522,749	$714,419	$878,149	6 5-10
N. Hampshire	636,317	9 5-10	946,002	14 1-10	1,582,319	23 6-10	6,598	459,749	104,970	65,000	209,829	511,432	574,752	8 6-10
Vermont.....	834,996	9 9-10	970,236	11 5-10	1,805,232	21 4-10	48,126	617,780	109,090	60,000	322,485	383,170	544,973	6 4-10
Massachusetts	5,193,119	9 6-10	8,060,107	14 9-10	13,253,226	24 5-10	239 258	3,442,071	1,223,790	285,000	1,788,379	4,704,497	5,129,238	9 5-10
Rhode Island.	1,781,460	8 9-10	2,604,588	13 1-10	4,386,049	22	33,726	1,231,074	392,660	125,000	506,769	1,327,780	1,306,269	7
Connecticut..	2,865,439	8 9-10	4,592,830	13 9-10	7,358,269	23 8-10	163,159	1,975,350	527,030	200,000	1,079,015	2,319,788	2,524,816	7 8-10
New York ...	7,877,062	10	9,951,664	12 7-10	17,828,724	22 7-10	330,122	4,853,220	1,387,720	1,300,000	3,375,889	5,581,589	6,065,736	7 7-10
New Jersey..	2,544,583	10 6-10	3,437,080	14 3-10	5,981,664	24 9-10	58,586	1.72 567	453,430	310,000	1,217,370	2,045,605	2,390,156	9 9-10
Pennsylvania.	6,142,143	12 8-10	4,781,689	10	10,923,832	22 8-10	93,716	4,865,667	842,760	840,000	3,208,585	2,160,085	3,749,892	7 8-10
Delaware	320,918	12	327,612	12 3-10	648,531	24 3-10	10,257	192,431	63,230	55,000	129,737	205.768	248,408	9 3-10
Maryland	652,826	14 4-10	408,704	9	1,061,530	23 4-10	51,841	465,895	95,090	40,000	410,021	136,648	382,953	8 4-10
Dist. of Col..	16,350	10 3-10	10,893	6 9-10	27 243	17 2-10	368	15,782	200	....	10 784	....	3,515	2 2-10
Virginia	718,723	11 7-10	560,964	9 1-10	1,279,686	20 8 10	112,025	533.877	57,820	15,000	522,697	81,074	358,508	5 8-10
W. Virginia..	586,025	12 6-10	349,987	7 5-10	934,012	20 1-10	38,403	441,402	31,220	75,000	361,682	38,212	239,354	5 1 10
N. Carolina..	203,591	18 1-10	72,126	6 4-10	275,717	24 5-10	17,202	91,709	94,680	....	89.965	65,344	106,614	9 5-10
S. Carolina ..	507,595	30 4-10	511,949	30 6-10	1,019,544	61	17.390	486,045	4,160	....	494,670	365,670	768,814	46
Georgia.....	1,170,154	28 6-10	319,783	7 8-10	1,489,938	36 4-10	3 441	1,018,653	33.060	90,000	973,239	75,134	877,089	21 4-10
Alabama.....	187,345	28 9-10	82,283	12 7-10	269,628	41 6-10	61,746	125,599	....	....	171,801	24,123	172,094	26 6-10
Mississippi ..	17,580	44 1-10	525	1 3-10	18,405	45 4-10	....	17,880	....	....	15,450	....	12,330	30 4-10
Texas.....	466,886	31 5-10	291,983	19 7 10	758,819	51 2-10	255,953	210,894	....	....	443.329	158,841	536,916	36 2-10
Arkansas	88,796	10 2-10	78,848	9	167,644	19 2-10	2,709	84,087	....	....	78,031	398	36,894	4 2-10
Kentucky.....	443,727	15 1-10	220,409	7 7-10	654,136	22 8-10	5,056	382,271	33,400	10,000	295,130	8,756	224,048	7 8-10
Tennessee ...	707,408	16 8-10	341,935	8 1-10	1,049,344	24 9-10	21,258	551,510	104,340	20,000	527,678	87,558	418,149	9 9-10
Ohio.....	3,868,248	12 6-10	2,839,874	9 2-10	6,698,128	21 8-10	64,098	3,130,480	298,670	375,000	2,398,164	740,990	2,093,807	6 8-10
Indiana.....	2,711,049	13 8-10	1,453,188	7 4-10	4,164,238	21 2-10	66,901	2,273,698	250,450	120,000	1,681,485	60,805	1,226,182	6 2-10
Illinois	2,202,836	13 9-10	1,907,707	12 1-10	4,110,543	26	23,432	1,826,904	182,500	100,000	1,595,985	773,459	1,749,297	11
Michigan	960,163	13 9-10	871,201	12 6-10	1,831,365	26 5-10	23,565	796,478	100,120	40,000	653,511	390,012	795,350	11 5-10
Wisconsin ...	764,360	15 2-10	621,737	12 3-10	1,386,097	27 5 10	32.213	626,317	59,830	55,000	544,679	284,514	632,676	13 5-10
Iowa.....	1,716,811	15 9-10	1,785,427	16 5-10	3,502,239	32 4-10	64 268	1,512,248	120,300	20,000	1,337,668	954.318	1,883,238	17 4-10
Minnesota ...	522,714	13 8-10	310,740	8 2-10	833,454	22	36,951	442,653	38,110	5,000	396 877	12,775	264,997	7
Missouri.....	420.397	16 4-10	304,359	11 9-10	724,757	28 3-10	28,498	366,449	25,450	....	355,168	99.443	340,514	13 3-10
Kansas	91,304	16 7-10	121,575	22 3-10	212,880	39	220	85,994	5,090	....	76,655	77,576	131,064	24
Nebraska	266,429	13 4-10	726,205	36 4-10	992,635	49 8 10	10,790	242,409	8,320	5,000	243,077	559,946	693,437	34 8-10
Colorado Ter.	187,070	17 3 10	125,684	11 6-10	312,755	28 9-10	28,995	157,645	509	....	171,330	28,713	150,302	13 9-10
Utah " .	2?,688	10 9-10	15,570	7 5-10	38,259	13 4-10	2,008	20,680	....	....	14,588	....	7,291	3 4-10
Nevada " .	58,175	22 1-10	13,044	5 9-10	71,220	28	31,390	26,785	....	....	50.315	....	38,540	13
Total....	$18,840,031	11 6-10	$51,765,501	12 3-10	$100,545,531	23 9-10	$2,119,441	$35,721,360	$6,7?,320	$1,240,000	$26,319,886	$24,962,622	$37,646,851	8 9-10

Of the above Banks having balances, to be counted as part of their reserve, due from Associations, there are in—

New York City	894,	amounting to	$32,094,701 42
Boston	311,	"	9,385,279 49
Albany	32,	"	934,386 62
Philadelphia	120,	"	3,347,762 55
Pittsburg	18,	"	314,435 25
Baltimore	23,	"	391,265 60
New Orleans	2,	"	43,224 77
Louisville	4,	"	27,811 66
Cincinnati	76,	amounting to	1,380,532 40
Cleveland	6,	"	29,848 27
Chicago	94,	"	3,155,665 45
Detroit	6,	"	22,253 92
Milwaukee	16,	"	270,512 35
St. Louis	13,	"	307,821 71
Total			$51,705,501 46

WATERING OF RAILROAD STOCKS.

Much has been said of late with regard to the burden which is being placed upon our internal commerce by the stock dividends of railroad corporations. Of course additions to stock or bonds of any company beyond the requirements of construction make necessary an increase in the transportation charges to pay interest on debt and capital. The extent of this practice we propose to illustrate by one through route from New York to the West. The roads constituting this, route are named not because their extra stock issues have been in excess of others, but simply, as we said, for illustration.

The plan of thus increasing railroad capital appears to have been initiated by the New York Central Railroad Company in 1853. This company in that year was, as our readers are aware, formed by the consolidation of eleven independent companies, whose roads made up the great line between the Hudson, at Albany and Troy, and Lake Erie, at Buffalo. The share capital of these companies amounted together to $22,858,600 as follows:

Albany and Schenectady	$1,535,800	Syracuse & Utica Direct	$600,000
Schenectady and Troy	650,000	Rochester, L'port & N. Falls	2,016,100
Utica and Schenectady	4,500,000	Rochester and Syracuse	5,606,700
Mohawk Valley	1,575,000	Buffalo and Rochester	3,000,000
Syracuse and Utica	2,700,000	Buffalo and Lockport	675,000

This amount was increased to $23,067,400, by the conversion of convertible bonds; and further, by the addition of the stocks of the Buffalo and Niagara Falls Railroad, $565,000; of the Lewiston Railroad, 217,600; and the Rochester and Lake Ontario Railroad, $150,000—which companies were united with the Central subsequent to the general consolidation. These additions brought the capital stock up to the neighborhood of $24,000,000, since increased by the conversion of bonds and the purchase of the Athens Branch Railroad to $28,537,000.

The stocks of the several companies varied largely in productive value, and hence were received into the new company at a premium above the

Schenectady and Troy stock, which was made par, being the lowest in the scale. The convertible bonds shared the same treatment. To pay this premium the company issued Six Per Cent Debt Certificates, the principal payable through the instrumentality of a sinking fund by May 1, 1883. These were issued to the stockholders of the old companies, in accordance with rates agreed upon in the articles of consolidation, and as shown in the following statement:

Companies.	Stock & convertible bonds.	Rates of premium awar'd. Per cent	Am't of pre'm.
Albany and Schenectady	$1,631,800	17	$275,706
Utica and Schenectady	4,500,000	55	2,475,000
Mohawk Valley	1,575,000	55	866,250
Syracuse and Utica	2,700,000	50	1,350,009
Syracuse and Utica Direct	600,000	50	300,000
Rochester and Syracuse	5,608,700	30	1,682,610
Rochester, Lockport and Niagara Falls	2,155,106	25	538,684
Buffalo and Lockport	675,000	25	168,750
Buffalo and Rochester	3,000,000	40	1,200,000
Rochester and Lake Ontario	150,000	25	37,500
Schenectady and Troy	650,000	0	.....
Total	$23,235,600		$8,894,500

No premium was allowed the Schenectady and Troy stock. Of these certificates, $2,604,546 have been retired by the operations of the sinking fund, leaving outstanding $6,189,954. Not a cent of the $8,894,500 issued is represented by property, but is made a charge, principal and interest, against "future income." As respects the Mohawk Valley Railroad, the charges for stock and premium have never been availed of, that line being still in abeyance, with no intention of having it brought into use. Here, then, we have at least $11,000,000 calling for 6 per cent or $660,000 a year to be paid from traffic receipts; or in other words, all this amount and a yearly sinking fund contribution for the final settlement of the principal is drawn from the public for the sole benefit of the holders of these certificates, which are in reality so much guaranteed stock.

Leaving Buffalo west, the Buffalo and Erie Railroad, 88 miles in length, extends to Erie. This has for many years been a 10 per cent stock. It is a consolidation (1867) of the Buffalo and State line, the capital of which company was $2,200,000, and the Erie and Northeast, whose capital was $600,000, or, together, $2,800,000. The consolidated company came out with a capital of $5,000,000, the increase going into the pockets of its few stockholders. Should the usual 10 per cent dividend be paid hereafter, this operation loads the public with a contribution to private pockets for no tangible advantage of the sum of $220,000 a year forever.

The Cleveland, Painesville and Ashtabula Company's Railroad extends from Erie to Cleveland, 96 miles, and is another link in this through route. In 1861 its stock capital was $3,000,000, and its bonds $1,353,000. In that year a stock dividend of 4 per cent was distributed. In 1862, 10 per cent in stock and 13⅓ in bonds were given to the stockholders, and in 1863

10 per cent in stock. In 1865, 25 per cent was divided, and in 1867, 75 per cent in stock and 20 per cent in bonds. These several distributions brought the stock up $8,750,000 and the bonds to $2,500,000, being an increase by stock and bond issues amounting to $6,897,000, or more than twice the amount of the original capital. In the meanwhile the cost of the road advanced from $3,986,537 to $4,868,427, or less than one million. These extra dividends on outstanding capital from 1861 to 1867, both inclusive, were no less than 157⅓ per cent. What this dividend would be on the original capital, is simply a matter of arithmetical calculation. But these are only the *extra*-dividends. The total dividend yearly was 14, 33⅓, 23, 26, 35, 10 and 95 per cent respectively, and the amount distributed $9,388,000, or 319 per cent on $3,000,000 in seven years.

The Cleveland and Toledo Railroad (in all 148 miles) carries the Lake Shore Line by one arm to Sandusky and by another arm to Toledo. In 1867 it was leased to the Cleveland, Painesville and Ashtabula Company, which agreed to pay its stockholders dividends equal to those paid on its own stock. Previous to the execution of this lease the company divided 25 per cent in stock, increasing its capital from $5,000,000 to $6,500,000.

The Cleveland, Columbus and Cincinnati Railroad, which leaves the lake at Cleveland in the direction of Cincinnati, has also inflated its capital, in 1862 by a division of 5 per cent on $4,746,200, or $237,310; and in 1863 by 20 per cent on $5,000,000, or $1,000,000. Its capital is now $6,000,000, one fourth part of which is not represented by property.

The Michigan Southern and Northern Indiana Railroad carries the Lake Shore Line into Chicago. The main line has a length of 242 miles, and the total length is 516 miles. It is a great but unfortunate enterprise, and has never had opportunity to expand its non-earning capital. It is borne down by unremunerative laterals and branches, but has nevertheless added to its capital and bonded debt in settlement of dividends accumulated on its guaranteed stock and the conversion of the same. Probably a million and a half has been added to capital on these accounts.

Transferring our review to the place of beginning (Albany and Troy), we have the Hudson River Railroad. This company doubled their capital in 1867, raising it from about $7,000,000 to $14,000,000. Only 50 per cent of the increase was paid in, and that was applied to the purchase of St. John's Park in New York City, and improvements required on the line of the road. The balance is a present to stockholders.

As stated above, we have selected the companies spoken of simply because they are conspicuous for their position and direction, forming one continuous line from the seaboard to the beginning of the Great Western system of railroads, and are among the best known on the Continent. They have their peers in other parts of the country. For instance, the

Philadelphia and Reading Railroad have declared the following stock dividends:

On Common Stock—1846, 12 per cent; 1847, 12 per cent; 1852, 8 per cent; 1854, 10 per cent; 1855, 4 per cent; 1862, 7 per cent; 1863, 7 per cent; 1864, 15 per cent; 1865, 10 per cent; 1866, 10 per cent; 1867, 5 per cent, and 1868, 5 per cent. Total, 105 per cent.

On Preferred Stock, (payable in common stock)—1863, 8½ per cent; 1864, 15 per cent; 1865, 10 per cent; 1866, 10 per cent; 1867, 5 per cent, and 1868, 5 per cent. Total, 48 per cent.

It should be stated that the dividends of 1865 and 1866 were made payable in stock or cash, at the option of the stockholder. At these dates the stock was considerably above par in New York.

In a word, wherever business has been prosperous, and dividends large, stocks have been increased by distributions undervarious pretenses. Is it wise to allow a continuance of this policy?

THE SUPREME COURT AND THE LEGAL TENDERS.

Wall street has been during the last month troubling itself about certain rumors which have been set afloat to the effect that the Legal Tender Act is about to be declared unconstitutional by the Supreme Court. The story is supposed to have been started from the Treasury Department, and Chief Justice Chase is declared to have concurred in the decision. Some of our financial prophets have accordingly been busy searching out the probable consequences of such a decision and how its operation would affect banks and bank notes, mercantile debts and mortgage securities, existing engagements and future contracts. Before we follow these gentlemen into so tangled and pathless a jungle, it is probably worth while to challenge the fact which they make their starting point. Perhaps we may find that they have been wrong at the start. If no such decision as they talk of is imminent, nor any decision tending to disturb the foundations of our greenback currency, or to impair contracts made in its standard dollars, or to produce any general perturbation whatever, then our ingenious friends have spent their labor upon imaginary difficulties, and there is nothing to do but to wait and see their "castles in the air" vanish, frowning but harmless.

Now, in the first place, this report is no new thing. It is a very old story. Several years ago it was quite current. And it has several times perished and died away, only to revive again like some oft-uprooted but vivacious weed. The truth is that dishonest debtors have in a few cases been availing themselves of the ambiguity of the acts of February and July, 1863, by which greenbacks are made "a lawful money and legal tender in payment of all debts, public and private,

within the United States, except duties on imports and interest upon bonds." By a perversion of the plain meaning of this statute these men, after making contracts to pay so many dollars in coin, have tendered greenback dollars to their creditor, who has appealed to the Supreme Court for redress. Several such cases are at this moment pending. And it is no doubt to a misinterpreted rumor about one of these cases that we are indebted for the stories that have been disturbing the equilibrium of the financial circles around us.

Another mischievous perversion of the legal tender act is the proposal to pay off some 500 millions of old Five-Twenties by a new special issue of greenbacks. If greenbacks are a legal tender for "all debts public and private," these greenbacks, it is argued, will pay off the Five-Twenties, for these are a public debt. And "since greenbacks can be had for the mere cost of printing" these wise men argue, there is a vast saving in the scheme. This monstrous and absurd proposal has fewer abettors than it once had. There is no doubt that well-meaning persons have given the Supreme Court "canard" a more welcome hearing in consequence of their dread of an inundation of paper money to pay off the Five-Twenties.

However this may be, it is certain that in an active commercial country like ours, the thousands of millions of dollars of semi-matured indebtedness which at all moments exist in various forms throughout the country, must not be disturbed by any decision of the Supreme Court in any such way that if we have made a *bona fide* engagement to pay a currency dollar we shall be compelled to pay one third more, that is a dollar in coin.

The same thing may be said of our banks. No holder of a bank note which represents currency dollars will be permitted to acquire, from any decision of the Supreme Court, any right to demand gold coin for his note at par. Such a contingency would break every bank in the country, and would bring on us an overwhelming flood of misfortune, financial chaos and irremediable ruin.

In such instances as these, which, in some form or other, are continually occurring, we have a suggestive commentary on the evils of paper money when depreciated so that the currency dollar shall be worth less than the standard dollar of coin. Here we have two currencies side by side—a gold and silver currency of the old standard, and a new standard paper currency, every dollar of which is worth considerably less than coin. In these small paper money dollars for six years the nation has founded its contracts and done its vast business, so that every dollar of our vast changing current of mercantile indebtedness has been incurred on the basis of the small paper dollar throughout the country. This,

then, is the great problem of specie resumption. How shall we transmute this vast mass of obligations so that although they have been incurred in small paper dollars they shall be payable and shall be liquidated in the larger standard of the coin dollar? and how shall we do all this so that no debtor shall pay any more than his contract, and that neither debtor nor creditor shall lose or suffer any injustice.

Of course any sudden change, such as would result from the prophesied decision, would entail fearful consequences upon the country, and these threatening results will present themselves with unusual force to any court having the question of the constitutionality of the legal tender act before it. Not that the consequences of a decision are to rule where the law is plain, but if there is doubt as to the law, or, in other words, if there is any ground upon which the court can consistently uphold the act, they will do so rather than entail upon the country the ruin which a contrary decision would inevitably bring. All know the influence such considerations have, during times past, had in modifying and directing the conclusions of our judiciary, and we have reason to believe they will be no less potent now.

But it may be claimed that to affirm that the government has the right to issue when it pleases legal tenders, would be the greatest of all evils. Very likely this is so; yet it is unnecessary to hold any such doctrine in order that what has been done may be upheld. The court may decide, and very likely will decide, that this power, under ordinary circumstances, is not delegated by the constitution, and that new legislation to issue legal tenders now would be an unauthorized act, and therefore void. But where that act is necessary as a means for preserving the life of the nation, such a power must be one of the incidents of every government. Of course many will insist that it was not necessary; that the war might have been successfully prosecuted without it. We shall not argue the point. Congress affirmed that it was necessary, and a very large majority of the people were, and still are, of a like opinion. The United States Court can now very reasonably be of the same mind. They see the harm and wholesale injury which threaten the country if they decide the legal tender clause to be void, and hence will be inclined to hold that it was an act necessary for preserving the life of the nation, even if they do decide that under any other circumstances such legislation would be unauthorized and void.

CHICAGO, ROCK ISLAND AND PACIFIC RAILROAD.

The Chicago, Rock Island and Pacific Railroad Company is a consolidation under date of August 20, 1866, of the Chicago and Rock Island Company of Illinois and the Chicago, Rock Island and Pacific (late Mississippi and Missouri) Company of Iowa, and at the date of the last annual report (just published) which refers to the year ending March 31, 1868, the consolidation owned and operated the following lines:

Chicago and Rock Island RR.—Chicago, Ill., to Rock Island, Ill.	182 miles.
Rock Island Bridge & RR.—Rock Island, Ill., to Davenport, Iowa	1 "
Chicago, R. I. & Pacific RR.—Davenport, Iowa, to De Moines, Iowa	175 "
Oskaloosa Extension RR.—Wilton, Iowa, to Washington, Iowa	50 "
Total owned by company	408 miles.
Peoria and Bureau Valley Railroad (leased)	46 "
Total owned, leased and operated	454 miles.

The track between Kellogg and Des Moines, 44 miles, was completed Sept. 9, 1867. On the first of August, 1868, the track was laid from Des Moines, 30 miles west, and the grading and bridging completed to Middle River, about 22 miles further, to which latter point the track was to be completed by the 15th of the same month (probably now in use). The remainder of the line to the Missouri is rapidly progressing, and it is anticipated that next year a bridge will be built over the river to connect the Rock Island road with the Union Pacific, thus making, on the completion of the latter road, an unbroken line from the Atlantic to the Pacific.

The equipment of the line has been increased during the past year, and it is designed to continue to add to it by construction and purchase as the increasing business of the road may require. For this purpose large shops have been erected near Chicago and tools and machinery contracted for. These will be occupied in the fall of the current year. The following is a statement showing the amount of the motive and carrying power in use on the road at the close of the years named:

	1861-2.	1862-3.	1863-4.	1864-5.	1865-6.	1866-7.	1867-8.
Engines (coal)	59	61	61	59	65	57	58
" (wood)						35	37
Engines of all kinds	59	61	61	59	65	92	95
Passenger, &c., cars	57	57	59	63	63	66	70
Freight, &c., cars	960	960	1,195	1,459	1,568	1,780	2,010
Cars of all kinds	1,017	1,017	1,264	1,522	1,631	1,846	2,080

In the statements which follow, the annual accounts for the past six years are given, showing the changes in the condition of the company from year to year:

MILEAGE OF ENGINES HAULING TRAINS.

Engines.	1862-3.	1863-4.	1864-5.	1865-6.	1866-7.	1867-8.
Passenger	354,267	348,838	347,82	364,870	46 ,7 3	575,213
Freight	579,115	734,068	783,056	791,387	1,058,136	1,150,489
Wood & gravel	97,502	90,004	82,014	98,594	95,408	171,235
Total	1,030 884	1,162,880	1,212,656	1 234,8 7	1,681,307	1,896,937
Cost per mile run...(cents)	20.78	21.15	33.11	38.39	38.68	32.64

PASSENGER TRAFFIC—ITS DIRECTION AND AMOUNT.

Passenger-thro'.....	29,359	45,180	70,234	61,871	44,491	52,823
" -way.....	223,892	279,114	393,682	376,378	418,609	507,471
" -west.	122,566	166,167	227,384	204,343	242,624	289,051
" east.....	130,678	158,077	236,012	233,401	220 416	271,253
Pas'gs of all k'ds.....	253,244	324,244	463,866	437,744	463,100	560,304
" one mile.....	14,206,292	20,401,500	29,888,967	26,934,579	22,701,661	28,185,470
Rate per pas'ger p. mile..(cts.)	3.05	3.15	3.41	3.73	4.36	4.19

FREIGHT TRAFFIC—ITS DIRECTION AND AMOUNT.

Loaded cars, W.....	16,395	20,811	24.015	23,995	26,126	35,746
" " East.....	31,228	31,589	32,708	31,999	30,176	39.359
" " W & E.....	47,623	52,400	56,723	55,097	66,352	75,105
Tons (2,000 lbs), carried.....	379,879	441,570	472,557	459,986	598,914	654,435
Tons, per load.....	7.98	8.42	8 46	8.35	9.05	8.14
Tons one mile.....	38,558,462	56,539.150	63,414 831	59,218,305	79,565,908	87,522,492
Rate per ton per mile.....(cts).	2.69	2.58	3.50	3.45	3.05	3 35

The following is a statement of the business between the Illinois and Iowa shores, illustrated by the number of loaded cars and tons of freight, and number of foot passengers passing over the Mississippi River Bridge at Rock Island in the same years:

		1862-3.	1863-4.	1864-5.	1865-6.	1866-7.	1867-8.
Loaded cars.	Going west	5,866	7,998	9,913	8,438	11,947	12,529
	Going east.....	8,306	10,116	10,109	9.067	12,630	11.832
	Both ways	14, 72	18,114	20,022	17.505	23,877	24,361
Freight (tons).	Going west.....	39,039	50,741	68.844	59.573	88.582	103,849
	Going east.....	71,542	89,914	81,127	82,752	123,562	11 ,400
	Both w ys.....	110,581	140,655	150,001	142,325	212,144	217,249
Foot Pass ng-ers.	Going west...	4 ,277	70,962	57,384	50,712	42,712	37.412
	Going east.....	40,166	69 932	58 371	50,963	41,451	37,258
	Both ways.....	80,443	140,894	115,755	101,675	83,163	74,670

It will be seen by this that the trade between Iowa and Illinois has increased from 110,581 tons in 1862–3, to 217,249 tons in 1867–8, or by 106,668 tons or 96.4 per cent, viz.: going West by 64,810 tons or 166.0 per cent, and going East by 47,858 tons or 58.5 per cent.

The navigation at this point on the Mississippi is illustrated by the number of steamers, barges, and rafts passing the draw of the bridge, yearly, as follows:

		1862-3.	1863-4.	1864-5.	1865-6.	1866-7	1867-8
Steamers.	Going north.....	353	106	162	473	679	462
	G ing south	354	283	167	453	673	468
	Both ways.....	707	398	329	926	1,352	930
Barges.	Going north.....	...	155	125	238	342	244
	Going south.	...	129	110	255	466	238
	Bot ways	..	284	235	493	848	482
Rafts going south.....		287	276	296	576	338	684

FINANCIAL RESULTS OF OPERATIONS.

The gross earnings from operations, the cost of working the road and machinery, and the profits from this source of revenue yearly for the same years, are shown in the following condensed abstract:

	1862-3.	1863-4	1864-5.	1865-6.	1866-7.	1867-8
	$	$	$	$	$	$
Passenger earnings.....	493 297	643,775	1,041,779	1,005.872	988,961	1,181,564
Freight earnings	1,034.850	1,448.965	2,222,309	2,016,306	2,42 .24	2,934,5 4
Mail ea nings	21,200	21,200	21,200	21,200	21,200	36,743
Express, ren s, &c	39,794	35,935	94,102	110,857	135.048	298,468
Total ross earni gs.....	1,529,141	2,148,875	3, 59,390	3,154,235	3,574,023	4,451,974
Workin , e a s, &c.....	8 0,987	1,040,462	1,467,681	1,711,454	1 827,852	2.0 0,192
Nett ear. ings (profits).....	728,154	1,103,4 3	1,891,709	1,442,781	1,746,181	2, 31,78

The net earnings or profits were disposed of as follows:

Peoria & Bureau Valley RR.	$125,000	$125,000	$125,000	$125,000	$125,000	$125,000
United States taxes	5,353	16,415	64 770	93,723	52.291	32,110
Tax on real estate	35,001	38,978	54,318	63,462	106,301	107,930
Legal expenses	3,908	4,061	5,608	7 362	8,590	23,594
Extraordinary repairs, &c.	45.791	67,754	68,190	46,438	.....	.....
Interest on funded debt	100,135	102,690	172,532	101,535	256,132	576,240
Interest on bridge bonds	.....	22,934	40,000	40,000	40,000	.....
Dividends (incl. U. S. tax)	338,239	343,488	375,041	631,579	820,879	957,821
Balance to income account	74,726	332,142	1,056,250	333,682	336,988	609,087

GENERAL ACCOUNT—LEDGER BALANCES.

The financial condition of the company at the close of the fiscal years, as above, is shown in the abstract which follows:

	1863.	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$	$
Capital stock	5 603,000	6,000,000	6,000,000	6,500,000	9,100,000	14,000,000
Mortgage bonds	1,397 000	1,397,000	1,397,000	1,397.000	8,099,524	8,230,000
Income bonds	70,000	70,000	53,500	51,000	47, 00	42,000
Chic., R I. & Pac. RR. of Iowa	.....	.....	.....	.....	635,486	590,852
Sundries	12,078	.....	.....	.....	.....	146,264
Bal. of Income	660,961	977,832	2,034,082	2,367,764	621.753	1,151,665
Total	7,743,039	8,444,832	9,484,582	10,315,766	18,506,763	24,160,781
Accounted for in the exhibit following, viz.:						
R'd & equipment	7,069,727	7,429,433	7,480,923	8,050.132	15,313,823	17,251,433
Fuel & materials	42 268	156,976	207,260	257,218	.....	.....
Other assets, &c.	401.414	282,523	745,738	1,126,931	1,717,169	3,609,302
Cash and bills	209,830	625,700	726.661	881,483	1,475,771	3,300,046
Total	7,743,037	8,444,832	9,485,582	10,315,764	18,506,763	24,160,781

GENERAL REVIEW FOR TEN YEARS.

The following table gives the cost of the road and equipment (estimating the cost of the Peoria and Bureau Valley Railroad at $1,250,000); and the earnings, expenses and profits from operations, &c., yearly, for the ten years ending March 31, 1868:

Years.	Cost of road and equipment	Gross earnings.	Ordinary operating expenses.	Profits or net ear ings.	Interest on funded debt.	Divid'd paid on stock.	Bal. after lease taxes, &c.
1858-59	$8,026,119	$889,3 0	$537,668	$351,652	$97,790	$.....	$92,685
1859-60	8,163,554	1,093, 34	622,661	471,273	97 790	167,597	44,181
1860-61	8,237,710	1,164,018	708,054	455,964	97,990	....	120,134
1861-62	8,273,936	*1,054,701	*531,387	523,317	*97,790	168,090	82,866
1862-63	8,319,727	1,529.141	800,987	728,154	100,135	328,239	74,726
1863-64	8,674,433	2,143,875	1,010.462	1.103,413	102,690	343,438	382,142
1864-65	9,054,923	3,359,390	1.467,681	1,891,709	102,532	375.041	1,056,250
1865-66	9.300,132	3,154,235	1,711,454	1 442.781	101,535	631.579	333,682
1866-67	16,563,823	3,571,032	1,827,852	1,746,181	296 132	820.879	336,988
1867-68	18,501,433	4,451,974	2, 20,192	2,431,782	576,240	957,821	609,087

In the following table will be found deductions from the foregoing, giving the cost of road, &c., per mile, the earnings &c., per mile, and the rates of expenses to earnings and of profits to cost, with the dividends, &c., annually:

Years.	Miles of r ad open.	Cost of road per mile	Per mile of road—Earnings.	Per mile of road—Expenses.	Per mile of road—Profits.	Expenses to Earnings.	Profits to cost.	Dividends.
1858-59	228.4	$35,203	$3,893	$2,354	$1.539	60.47	4.93	nil.
1859-60	228.4	35,805	4,789	2,726	2,063	56 97	5.76	3
1860 61	228.4	36,130	5,096	3,100	1,996	60.83	5.53	nil.
1861-62	228.4	36,285	4,617	2,326	2,291	5 .38	6 31	6
1862-63	228 4	36,488	6,695	3,705	2,990	53.38	8 19	6
1863-64	228.4	38,067	9,386	4.556	4,830	48 53	12 70	6
1864-65	228.4	39,714	14,939	6,426	8,243	43.81	20.75	8
1865-66	228.4	40,790	13,834	7,506	6,328	54.25	15.51	10
1866-67	410.0	40,399	10,512	5,376	5,136	51.14	13.83	10
1867-68	454.0	40,752	10,475	4,754	5,721	45.39	13.14	10

* Operations for 9 months only.

The average length of road operated in 1866–7 was 340 miles, and in 1867–8 about 425 miles.

MARKET VALUE OF STOCK AT NEW YORK.

The monthly ranges of prices in the New York market of the stock of the company are shown in the subjoined statement (dividends April and October):

	1862-3	1863-4.	1864-5.	1865-6.	1866-7	1867-8.
April	53½-56½	88½- 95	110 -134	81½-103	110 -123½	85½- 93½
May	56 -66	94 -108	105 -119	91 -105	90 - 96½	86½- 92½
June	62½ 69½	98½-104	110 -117½	93 -102	91 - 95½	87½- 95½
July	60½-68½	93 -106	107½-114	101½-109½	94½-103	93½-104
August	62½-69½	103½-117	109½-114½	103 -109	102½-110	99½-103½
September	66½-78½	103 -113	95 -109½	10-½ 113½	108½-119½	99 -105
October	77½-85½	106½-111½	85½- 97	105 -113½	106 -111½	94 -104
November	77½ 89½	102 -111½	99 -110	104½-109½	100 -112½	94½- 97½
December	77½-86½	106 -123½	101½-108½	105½-108½	102 -10 ½	90½- 99½
January	82½-96½	122½-149½	88½-105½	96½- 99½	91 -104½	98½-100½
February	87½-95	117½-144½	89½- 98½	98 -107	95 -100½	96 -102½
March	89 -95	119½-127½	85½-100	104½-118½	92½- 98½	96½-102½
Year	53½-96½	88½-149½	84½-134	81½-118½	90 -123½	85½ 105

ST. LOUIS, ALTON AND TERRE HAUTE RAILROAD.

The lines of railroad owned by the St. Louis, Alton and Terre Haute Company are made up as follows:

Main line	Terre Haute, Ind., to Alton, Ill.	175 miles.
Branch lines	Wood River (Alton) Junct., Ill., to Bloody Island, Ill.	20 "
	East St. Louis, Ill., to Belleville, Ill.	14 "
Total length of road owned by the company		209 "

The main line of this road was constructed by the Terre Haute and Alton Railroad Company, chartered in Illinois, January 28, and in Indiana, February 11, 1851. Construction was commenced in May, 1852, and worked from both termini. On the 13th November, 1854, the section from Terre Haute to Paris, 19 miles, and on the 3d December that from Paris to Grandview, 9 miles, were opened, and on the 11th December of the same year the section from Alton to Litchfield, 38 miles. In 1855 (Jan. 26) the road was opened to the Embarras River, 14 miles from Grandview, and (July 2) to Mattoon, 14 miles beyond the Embarras. In the same year the western division was completed (June 25) from Litchfield to Hillsboro', 11 miles, and (Nov. 12) from Hillsboro' to Pana, 28 miles. The remaining gap between Mattoon and Pana, 42 miles, were closed up on the 1st March, and the whole line opened to traffic on the 1st April, 1856. The Belleville and Illinoistown Railroad Company was chartered June 21, 1852, with authority to construct a road between those two places, and also a line from Wood River, a point on the Terre Haute and Alton Railroad, 4½ miles east of Alton to Illinoistown. The first was completed in the fall of 1854, and the latter, subsequently extended to Bloody Island, opposite St. Louis in October, 1856. By agreement these roads, so necessary

to the Terre Haute and Alton Company in the transaction of their St. Louis business, were consolidated with the main line under date of October 30, 1856, the consolidated company taking the title of Terre Haute, Alton and St. Louis Railroad Company. The capital stock and funded debt of the company at the date of consolidation was as follows:

	T. H. & A.	B. & I.	Consol'd'n.
Capital stock	$2,672,050	$498,750	$3,170,800
1st mortgage bonds	(7s) 1,000,000	(7s) 600,000	1,600,000
1d mortgage bonds	(8s) 2,000,000	(7-) 500,000	2,500,000
Stock and bonds	$5,672,050	$1,598,750	$7,270,800

Soon after this consolidation the company became embarrassed, and defaulted on all their bonds (including two issues under the consolidation); and in December, 1859, went into liquidation. The bondholders and other creditors, however, agreed upon terms of reorganization, which were carried into effect on the 1st July, 1862, the consolidated company taking the name of the St. Louis, Alton and Terre Haute Railroad Company, to distinguish them from their predecessors. The basis on which the reorganization was consummated was as follows: The 1st mortgage bonds and certain other liabilities of the old company, with all back interest to June 30, 1862, were converted into new 1st bonds. This issue embraces two series of $1,000,000 each, the one marked A, with coupons payable October and April 1, and the other, B, with coupons payable January and July 1, the first coupon to be paid Oct. 1, 1862, and Jan. 1, 1863, respectively. A sinking fund of $25,000 per annum, commencing with Jan. 1, 1864, was provided for the final redemption of these bonds. The second bonds, and certain other liabilities, with interest to Jan. 1, 1863, were exchanged for new second bonds. This issue was divided into two classes, viz.: "preferred" $2,800,000, and "income" $1,700,000, both to carry interest from Jan. 1, 1863. The preferred bonds were issued in two series, C and D, each of $1,400,000, the coupons of C being payable February and August 1, and of D, May and November 1, annually. All these bonds are sevens, and redeemable in 1894. The third and fourth bonds of the old company, and other junior liabilities, with interest added to Jan. 1, 1863, were changed for 7 per cent preferred stock, the issue of which was limited to $1,700,000, increasable only under the expressed sanction of a majority of the stock and bondholders. The first dividend was payable May 1, 1864, and if not paid was to become accumulative and a charge against income. The common stock of the old company was converted into new common stock at the rate of 40 per cent of its face. The result of these conversions placed the capital of the new company at $10,700,000, the same as it stood up to 1867, when the preferred stock was increased by a 20 per cent dividend in kind, issued in liquidation of arrears of interest up to Jan 1, 1867. The addition to the amount of liabilities under this issue

was $340,000, increasing the capital account to $11,040,000. In 1867 the main line of the company's railroad was leased to the Indianapolis and St. Louis company, a corporation engaged in the construction of a railroad between Indianapolis and Terre Haute. Since this lease the Bellville branch is the only line operated by this company. It is essentially a coal road, and derives the greater part of its revenues from the transportation of that mineral to St. Louis. "A negotiation has been pending for some time with the Bellville and Southern Illinois Railroad Company for the extension of the branch to Duquoin, and it is hoped that some satisfactory arrangement will yet be made." Should this project be accomplished a very direct line will be formed between St. Louis and Cairo at the confluence of the Ohio with the Mississippi. The terms of the contract referred to above are set forth in the company's report for 1867, as follows:

"An operating contract with the Indianapolis and St. Louis Railroad Company was duly executed, and actual possession of the road and its equipment was formally delivered to that company on the 11th day of September last, since which date the main line has been operated under the contract. By the terms of the contract it took effect on the first of June previous, from which last date up to the 11th of September it was operated on account of and for the Indianapolis and St. Louis Railroad Company, and the accounts have been adjusted accordingly. By the terms of the operating contract they are to put the road, with its equipment, in good condition and equal in every respect to first class roads of the Western States, and so to keep and maintain it. They are to pay to this company 30 per cent of the first $2,000,000 of gross earnings; 25 per cent of the next or third million, and 20 per cent of all earnings above that during the existence of the contract (99 years). These payments are to be made in monthly instalments, with an agreed minimum of $37,500 per month, or $450,000 per annum. The performance of this contract is guaranteed by the Pittsburg, Fort Wayne and Chicago Railway Company, one-third; the Indianapolis, Cincinnati and Lafayette Railroad Company, one-third; and the Bellefontaine, Cleveland, Columbus and Cincinnati, and the Cleveland, Painesville and Ashtabula Railroad Company, jointly, one-third."

The stock of engines and cars used in operating the road at the date of reorganization, and on the 1st January, 1864–68, both inclusive, is shown in the statement which follows:

	July 1,'62	1864.	1865	1866.	1867.	1868.
Engines (wood)	30	32	30	30	30	
" (coal)	7	10	16	16	16	
Total engines	37	42	46	46	46	
Passenger coaches, 1st class	23	23	25	25	28	
" " 2d class	5	5	5	5	5	
Baggage and express cars	3	4	4	4	6	
" and mail cars	4	5	5	5	4	
Caboose cars	..	20	21	21	21	
Box freight cars (common)	240	238	242	242	242	
" " (comp omise)	..	81	93	93	103	
" " (Blu Line)	..	17	17	17	23	
Lime cars	..	12	12	12	12	
Stock cars	60	94	92	92	88	
Platform cars	85	165	188	188	142	
Gravel and coal cars	163	319	328	328	378	
Total cars	583	983	1,032	1,032	1,051	

No statement for this date; chiefly sold to the contractors of the main line, excepting coal cars used on B Branch.

The following statement shows the gross earnings, working expenses

and cost of improvements, and revenue after all costs, yearly since the reorganization of the company, July 1, 1862:

	1862 (6 m)	1863.	1864.	1865.	1866.	1867.
Passenger earnings	$174,025	$511,234	$655,446	$853,960	$830,563	$767,194
Freight earnings	429,659	969,886	1,324,396	1,251,161	1,291,258	1,265,808
All other earnings	29,027	73,792	104,231	135,621	138,320	185,399
Operating expenses	.....	919,028	1,289,909	1,415,375	1,622,860	.....
Extraordinary expenses	.....	212,305	293,398	336,809	100,526	.....
Total expenses	354,281	1,131,333	1,583,307	1,752,185	1,723,378	1,621,858
Revenue over costs	278,430	423,579	500,766	488 558	526,764	596,54[illegible]
Total gross earnings	632,712	1,554,913	2,084,074	2,240,743	2,250,142	2,218,402

The income account, showing the whole financial transactions of the company yearly, is condensed in the following statement:

	1862-63. 18 mos.	1864. 12 mos.	1865. 12 mos.	1866. 12 mos.	1867. 12 mos.
	$	$	$	$	$
Balance from last year	37,667	294,228	201,449	89,507	47,272
Earnings from all sources	2,211,163	2,084,074	2,240,743	2,250.142	1,030,819
Contractors of main line, from June 1 to Nov. 30, 30 per cent. of gross earnings, $1,038.001 48	.....	.....	.....	.....	311,400
Contractors of main line for Dec (minimum; excess payable February 1, 1868)	.....	.....	.....	.....	37,500
Interest on balances, contractors accounts	.....	.....	.....	.....	5,570
Total	2,248,880	2,378,302	2,442,193	2,339,650	1,432,562

—which amounts are charged with the following:

Payments for improvements, new iron and rolling stock, and transportation	1,497,764	1,583,307	1,752,185	1,723,378	777,168
Coupons and sinking fund	456,837	593,545	600,500	494,000	494,000
Paid to Wiggins Ferry Co.	....	.....	.....	75,000	.....
Balance to next year	294,228	201,449	89,507	47,272	161,394
Total	2,248,830	2,378,302	2,442,193	2,339,650	1,432,562

The earnings from all sources for 1867 are divided thus: Earnings on all the lines from January 1 to June 1 (5 months), $842,447 19, and on the Belleville Branch Line only, from June 1 to December 31 (7 months), $188,372 56. The earnings on the Main Line for the 6 months (June 1 to Nov. 30), as shown in the account, amounted to $1,038,001 48, of which 30 per cent ($311,400 44) was paid by the contractors to the St. Louis, Alton and Terre Haute Railroad Company. The amount set down for the month of December ($37,500) is the minimum stipulated for by the company in their contract with the lessees. The payments for improvements, &c., for 1867 are for all lines to June 1 ($857,141 33 less amount assumed by contractors for locomotives and supplies on hand $118,089 09) $739,052 24. The payments for the Belleville Branch for the last 7 months of the year are stated separately at $38,116 10—total as above, $777,168 34.

The first balance sheet of the reorganized company bears date January,

1864. The following abstract shows the financial condition of the company at that date and yearly thereafter:

	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$
Capital stock—common	2,200,000	2,300,000	2,300,000	2,300,000	2,300,000
" " —preferred	1,700,000	1,700,000	1,700,000	1,700,000	2,040,000
Bonds—1st mortg ge	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
" —2d mort., pref	2,800 000	2,800,000	2,800,000	2,800,000	2,800,000
" —2d mort., income	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Stock and bonds	10 600,000	10,700,000	10,700,000	10,700 000	11,040,000
Earnings from Ju y 1, 1862	2.187,625	4,271,699	6,512,443	8,762,585	9,645,033
Due on accounts	219,342	302,361	200,113	242.411	162,465
Sales of real estate	14,790	25.230	43,080	57,647	....
T. H., A. & T. L. RR, being earnings prior to July 1, 1862, and since collected	37,667	37,682	37,682	37,682	37,682
Contractors, main line	....	....	....	....	348,900
Interest	....	....	....	....	5,426
Total	12, 59,325	15,350,823	17,493,319	19,700,326	21,199,507

Per contra, the following charges are made:

Cost of property, as reorganized	10,600,000	10,700.000	10,700,000	10,700,000	11,040,000
Accounts and ted	1,485,615	3,068,922	4,821,108	6,544,486	7,283,538
Charter iab lities	12,149	12,490	13,4 5	14,023	17,444
Profit and loss	....	1,490	1,998	2,281	3,321
Cash in Bank of N. America	661,070	205,647	128,555	107,209	13,215
Cash on hand	55,138	58.003	88,378	122,687	....
Due on accou te	245,351	333,830	183,014	158,633	59,105
Contractors, main line	....	....	....	....	179,143
1st mortgage, coupons	....	302,864	448,7 9	593,557	787,877
2d mort, pref. coupons	....	320,240	517,325	709,055	918,374
2d mort., income coupons	....	211,207	328,941	446,489	572,150
Interest on pref. stock	....	111,123	284,311	238,311	237,937
Sinking fund	...	25,000	37,500	67,592	87,500
Total	12,059,325	15,350,843	17,493,319	19,700,326	21,199,507

The increase in the capital account in 1867 was caused by a divident of 20 per cent in kind to the preferred stock in settlement of accumulated interest. This amounted to $340,000, otherwise the account has remained without alteration since July 1, 1862.

The stocks of the St. Louis, Alton and Terre Haute Railroad Company are occasionally but not frequently sold at the New York stock boards. So far as sales have been reported, we give the monthly range for the two years 1866 and 1867:

	Common.		Preferred.	
	1866.	1867.	1866.	1867.
January	33 @33	31 @39¾	56 @71½	60 @67
February	30 @36	32 @35	58 @61	62½@63
March	29 @35	30⅛@34½	59½@61	60½@64
April	30 @38	31 @35	61 @64	60 @61
May	30 @34½	35¾@40¼	61 @64¼	66 @70½
June	30 @42	40⅛@58⅛	61 @63	75 @85⅛
July	31 @35	50 @55	64¼@66¾	83 @84
August	34½@41	50 @51	67 @73½	78 @83
September	36½@38	....@....	71 @71½	67 @67
October	38½@50¼	49 @52	72⅞@78	64 @68⅛
November	38 @53	50 @50	69 @78	66½@67
December	37½@41	....@....	65 @65	66 @67
Year	29 @53	30⅛@58⅛	56 @78	56 @85⅛

The common stock is now quoted at 36@37½ and the preferred at 60 @69.

THE HAY CROP.

The failure of the usual second hay crop, and partial failure of the root and green crops of England, in consequence of the protracted severe drought, has directed attention to the hay crop of the United States, and the more so because there has recently been an unusually large shipment of the product from this port. That there must be a scarcity of cattle food in Great Britain until next summer there can, we suppose, be little doubt, judging from the general tenor of reports; and the deficiency will doubtless require to be supplied, to a certain extent, from other countries. The bearing of this state of things, however, upon the foreign demand for our own hay crop may be easily over-estimated. As in all cases of deficient supply substitution must first be duly allowed for. The principal demand for cattle food comes from the farmers who are always strongly disinclined to increase the costs of feeding their live stock. If their crop of hay or clover falls short they are not apt to buy, but to increase the rations of coarser feed; which has been facilitated by the now general use of the strawcutter; and if the turnip crop fails, they simply feed their horned cattle more plentifully with straw and manufactured food. The high price of oats and beans only induces the farmer to sell them in preference to distributing them among his own cattle. He undoubtedly suffers in the deterioration of the condition of his stock, and perhaps in the diminution of his next year's supply of straw manure; but here the evil ends. This process of substitution, together with the economy of consumption, go far toward compensating for the loss of supply, and the result is that little in the shape of cattle food has to be imported. The scarcity of this class of products is calculated to tell most directly upon oats and Indian corn; for the former is apt to come in from foreign countries upon an advance in the home prices; while the latter is available for the production of manufactured cattle food, which is now used to a large extent in the towns of England, though little among the farmers.

In view of these facts, it is not difficult to estimate what may be the effect of the drought in England upon our own hay crop. The foundation is a very slender one for counting upon any large additions to our exports from this source, an expectation which has been encouraged in some quarters. The exports of hay from New York for the last four weeks have been 8,631 bales, worth about $20,000, which is about one-fifth of the average annual shipments from this port. This, to be sure, shows a large increase; but the shipments are in value still insignificant, and appear to have been made principally on shipowners' account, and merely in the way of stowage and for filling up deficient cargoes. The bulkiness of such freight prohibits it from being available to any important extent for shipment to Liverpool. Hay, indeed, is a purely domestic crop,

and, although exceedingly valuable as such, is not raised in sufficient quantity to admit of our supplying a trans-Atlantic deficiency, even were it susceptible of importation thither. Three-fourths of our entire exports go to the near ports of the West Indies and Mexico, while ordinarily our shipments to England are nominal. The following statement shows the exports of hay from the United States for four late years, and the ports to which they were destined :

	1863-'64		1864-'65.		1865-'66.		1866-'67.	
Ports of destinat'n	Tns.	Value.	Tns.	Value.	Tons.	Value.	Tons.	Value.
England	..	$.....	928	$27,161	....	$.....	....	$.....
British Nor h Am	1,333	23,279	377	8,846	189	2,768	28	777
British Columbia	....	.....	700	15,890	733	10,850	256	3,063
Russian Am rica	40	900	35	1,045	24	433	13	192
British West Ind	1,561	36,224	1,682	29,603	1,782	33,178	1,136	26,167
French W I & C	39	880	55	1,679	30	684	14	329
Spanish W st Ind	1,285	34,564	2,389	56,448	3,964	72,158	1,246	40,014
Danish West Ind	16	353	17	536	21	451	2	73
Dutch W.I. & Col	38	882	27	810	96	2,086	74	1,931
Bremen	..	.....	....	....	....	....	26	788
Azores, &c.	1	35	2	38	....	....	....	....
Canary Islands	....	.....	....	....	..	....	15	575
Liberia	6	104	....	....	....	....	....	....
Hayti & San Dom	99	2,460	643	21,135	208	3,717	47	1,174
M xico	854	11,996	1,476	29,893	1,748	29,228	2,058	32,489
entral Amer ica	....	.....	6	202	1	23	3	73
N. Granada &Ven	5	145	85	1,254	1	27	....	....
Chili and Peru	....	.....	130	3,900	11	165	....	....
Brazil	9	187	5	100	84	1,481	2	55
Pacific ports & Is	12	280	1	40	15	260	41	516
China and Japan	48	1,273	....	....	71	895	67	1,560
Total	4,836	$112,563	8,457	$198,784	8,978	$159,016	5,028	$109,776
Average per ton	....	23 49	....	23 51	....	17 71	....	21 83

It is not easy, however, to over-estimate the importance of this crop as a product for home consumption. It ranks, in point of value, with our most important productions, even rivalling the cotton crop, but, not appearing in the local export returns, its value is less generally appreciated. Exclusive of the Southern States, the value of the crop is estimated, in official returns, at $247,000,000 in 1863, at $365,000,000 in 1864, at $273,000,000 in 1865, and at $306,000,000 in 1866. The quantity of hay (absolute and per acre in tons) and the value per ton thereof at the place of production, as shown in the statistics of the Department of Agriculture for the seasons of 1864, '65, '66, and '67, were as follows:

	1864-5.			1865-6.			1866-7.		
States.	Quantity. Absolute.	p. a.	Value, p. t	Quantity. Absolute.	p. a.	Value, p. t.	Quantity. Absolute.	p. a.	Value, p. t.
Maine	1,085,705	0.88	$21 00	1,429,511	1.00	$11 81	957,772	0 80	$19 28
N. Hamp	694,161	1.00	21 00	793,327	1.00	14 70	665,395	0.84	17 88
Vermont	850,127	1.00	17 95	991,814	1.20	11 50	862,878	1.00	15 61
Massachus	760,517	1.00	29 00	844,178	1.33	21 00	742,872	1 00	25 39
R. Island	62,044	1.00	31 50	64,312	1.13	22 50	53,379	1.00	31 66
Connectic't	446,956	1.20	27 00	596,191	1.25	23 50	536,527	1.40	25 60
New York	3,921,264	1.12	23 05	5,288,352	1.40	12 33	4,759,516	1.20	16 18
New Je sey	436,496	1.57	26 73	461,958	1.75	13 89	369,506	1.26	25 00
Pennsylva	1,796,336	1.30	24 55	2,463,545	1.60	11 23	1,970,836	1.20	16 14
Delaware	33,111	1 50	30 00	29,800	1.25	17 00	26,820	1.10	17 50
Maryland	167,909	1.33	27 00	181,341	1.50	16 43	181,341	1 30	20 27
Kentucky	112,325	1.33	20 16	127,301	1.40	12 10	115,844	1.37	12 80
Ohio	1,415,096	1.13	19 38	2,158,021	1.66	8 00	1,963,799	1.30	11 00
Indiana	962,805	1.50	17 81	1,251,646	1.66	9 40	1,08-,932	1.23	9 44
Michigan	847,737	1.12	19 33	1,231,278	1.80	12 17	1,218,959	1.30	13 75
Illinois	2,166,725	1.50	15 33	2,600,070	1.50	9 30	2,340,063	1.47	9 27
Wisconsin	789,765	1.14	13 00	1,096,182	1.50	10 14	1,151,477	1.30	12 25
Minnesota	248,289	1.50	9 36	274,217	1.70	8 59	350,000	1.50	10 00
Iowa	814,764	1.63	9 51	1,018,455	1.75	7 36	1,161,039	1.90	6 20
Missouri	399,599	1.43	18 12	519,479	1.75	12 33	654,544	1.90	9 91
Kansas	82,569	1.67	13 00	118,348	2.00	8 00	123,082	2 00	7 18
Nebraska	18,391	1.33	7 33	29,425	2.00	5 64	29,720	1.50	6 43
Total	18,116,691	1.20	$20 18	23,538,740	1.44	$11 63	21,294,361	1.23	$14 46

The hay crop of the Southern States in the season of 1866 was as follows:

	Quantity. Absolute.	p. a.	Value, p. t.		Quantity. Absolute.	p. a.	Value, p. t.
Virginia	203,698	1.30	$14 28	Louisiana	$36,40	1 00	$30 00
North Carolina	163,229	1.30	13 00	Texas	15, 43	1.50	13 00
South Carolina	70,069	1.00	22 00	Arkansas	7,578	1.30	26 43
Georgia	46,448	0.90	23 62	Tennessee	140,5<0	1.40	18 63
Florida	9,754	3.00	20 62				
Alabama	80,854	1.00	18 68	Total	$804,266	1.19	$17 81
Mississippi	29,611	0.87	27 50				

The following compares the total crops of 1863, '64, '65, and '66:

	Product: tons.	Absolute. Acr age.	Value.	Tons, p. a.	Value. p. t.	p. a.
1863*	18,316,730	15,641,504	$247,680,855	1.17	$13 48	$15 83
1864	18,116,691	15,034,564	365,707,074	1.20	20 18	24 32
1865	23,528,740	16,323,852	273,812,617	1.44	11 63	16 77
1866	21,324,361	17,265,112	306,732,957	1.23	14 46	17 80
1866 (4 States)	804,266	674,682	14,328,880	1.19	17 81	21 23

These statistics are suggestive. It will be noted that the value of the crop runs very irregularly with the yield. In 1863, when the yield averaged 1.17 tons per acre, the price was $13 48 per ton while in 1865, with a yield of 1.44 tons, the price averaged only $11 63. This apparent discrepancy, however, is to be accounted for from the fact that the crop was 4,800,000 tons greater in 1865 than in 1863. The yield per acre and the value will be seen from an examination of the table to vary very widely in the several States, the yield being most abundant in New Jersey, Illinois, Iowa, Wisconsin, Minnesota, and Kansas.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

The British Board of Trade returns for June and the six months ending June 30, have been published. They show that the outward trade has fallen off not only from last year, but also from the previous month, owing, no doubt, to the diminution in the trade with China, the United States and France. During the month the declared value of the exports of British and Irish produce and manufactures amounted to £13,933,054, against £15,490,091 last year and £14,630,120 in 1866; while in the six months ending June 30 it reached a total of £84,601,157 against £87,613,484 in 1867 and £92,857,830 in 1866. The computed real value of the imports in the five months ending May 31 was £90,167,617, against £88,547,811 last year and £98,315,826 in 1866.

In June the imports of cotton reached a total of 1,086,630 cwt., of which 608,910 cwt were from the United States, 98,923 from Brazil, 4,820 from Turkey, 139,655 from Egypt, 211,964 from British India, and 22,358 from other countries. The total received in June last year was 1,293,724

* Kentucky and Nebraska were not returned in 1863.

cwt., and, in 1866, 1,677,672 cwt. The following figures show the imports into the United Kingdom in the six months ending June 30:

From—	1866. cwt.	1867. cwt.	1868. cwt.
United States	3,231,089	3,401,483	3,986,796
Bahamas and Bermudas	5,931	9,916	41
Mexico	3,145	22	....
Brazil	408,679	393,373	456,194
Turkey	78,531	53,307	15,534
Egypt	619,589	702 831	747,465
British India	2,378,199	939,536	728,983
China	.....	4.707	.....
Other countries	132,631	141,526	80,495
Total	6,857,742	5,647,206	6,015,508

As regards the exports of cotton there is a considerable falling off as compared with last year. In the six months the diminution is about 280,000 cwt., the heaviest decline being in the shipments to Russia and Prussia. The following are the particulars for the six months:

To—	1866, cwt.	1867, cwt.	1868, cwt.
Russia	129,471	153,546	70,198
Prussia	31,383	114,927	56,947
Hanover	5.618	3,214	1,671
Hanse Towns	405,076	365,014	316,083
Holland	236,531	254,127	253,362
Other countries	742,874	577,887	483,139
Total	1,550,953	1,469,165	1,181,400

The exports of cotton piece goods were less in June, current year, than in the corresponding month in 1867, in consequence of diminished shipments to Egypt, the Continent and the United States. The official return however, shows extensive shipments to India and China. The following are the total exports in the six months:

	1866.	1867.	1868.
Yarn.....lbs.	63,481,909	76,133.031	87,484,783
Piece goods..yds.	1,196,185,533	1,304,110.080	1,373,762,414
Thread.....lbs.	3,054,889	3,214,965	3,219,022

The annexed return shows the exports of the principal British and Irish productions and manufactures to the United States during the first six months of the current year, compared with 1867 and 1866:

	1866.	1867.	1868.
Alkali, cwts	869,827	692.709	793,918
Beer and ale, bbls	7,545	9,753	10,807
Coals, tons	65,141	67,604	55,187
COTTON MANUFACTURES—			
Piece goods, yards	69,867,098	57,474,454	45,469,859
Thread, lbs	821,757	733,162	883,112
Earthenware and porcelain, pkgs	57,708	54,937	45,904
Haberdashery and millinery (value)	£753,318	596,921	475,792
HARDWARES AND CUTLERY—			
Knives, forks, &c. (value)	£145,544	120,405	78,171
Anvils, vices, &c (value)	£55,540	47,986	35,459
Manufactures of German silver, &c (value)	£345,326	253,745	165,753
LINEN MANUFACTURES—			
Piece goods, yards	61,371,909	45,696,325	38,348,573
Thread, lbs	1,129,750	749,334	549,676

METALS—			
Iron—Pig, &c., tons	44,732	57,905	31,339
Bar, &c., tons	30,866	22,018	18,056
Railroad, tons	54,396	97,073	148,544
Castings, tons	695	246	219
Hoops, sheets and boiler plates, tons	15,021	13,482	5,739
Wrought, tons	5,589	3,661	1,745
Steel Unwrought, tons	9,930	10,281	6,641
Copper, wrought, cwts	5,618	2,947	1,139
Lead, pig, &c., tons	2,913	5,698	3,900
Tin plates, cwts	554,040	491,582	645,119
Oil seed, galls	747,189	1,170,872	156,294
Salt, tons	100,112	70,842	75,135
SILK MANUFACTURES—			
Broad piece goods, &c., yards	431,645	227,028	178,495
Handkerchiefs, dozens	4,623	2,323	113
Ribbons, lbs.	17,007	12,854	9,383
Other articles of silk (value)	£63,758	26,049	69,370
Silk manuf's mixed with other materials	£35,127	33,207	31,874
Spirits, British, galls	57,321	14,885	30,759
Wool, lbs.	4,280	8,904	48,894
WOOLEN AND WORSTED MANUFACTURES—			
Cloth, yards	3,144,385	2,384,596	1,733,879
Carpets and druggets, yards	2,251,802	2,335,934	1,554,590
Shawls, rugs, &c., number	58,803	71,972	50,555
Worsted stuffs and waistcoatings, yards	42,466,342	23,553,440	31,804,821

BRITISH STATISTICS.

From official documents we gather the following statistics relating to the National Debt, as also to the progress of commerce in Great Britain and Ireland:

At the close of the financial year on the 31st of March, 1855, the funded debt amounted to £752,064,119; the unfunded debt was £23.151,400; and the estimated capital of terminable annuities, £26,763,244; making the total amount of the National Debt £801,978,763. A year later, at the corresponding date in 1856, at the close of the Crimean war, the amount was £829,579,798; at the like date in 1857, £831,722,963; in 1858, £826,134,640; in 1859, £823,934,880; in 1860, £819,070,310; in 1861, £818,048,896; in 1862, £817,389,290; in 1863, £817,559,322; in 1864, £813,230,134; in 1865, £808,289,398; in 1866, £802,842,949; in 1867, £800,848,847; and on the 31st of March, 1868, £797,031,650;—viz., £741,190,328 funded debt, £7,911,100 unfunded, and £47,930,222, the estimated capital value of the terminable annuities, which in that year amounted to £3,447,270. Since 1855 the increase of debt incurred for the Crimean war has been wiped out, and the proportion of debt payable by terminable annuities has been materially increased.

The total gross revenue of the country for the year ended March, 1868, amounted to £69,600,218 sterling. Of this sum £22,650,000 was derived from customs, and £20,162,000 from excise duties; £9,541,000 from stamps; £6,177,000 from property and income tax, and £3,509,000 for other taxes; £4,630,000 from the post office, £345,000 from crown lands, and £2,586,218 from miscellaneous receipts. The charges of collection of revenue amounted to £4,883,294, and the total expenditure, after deducting charges of collection, to £66,3 3,038, which is thus epitomized:—£26,571,750 for interest and management of the National Debt; £11,193,757 for the civil list and civil charges of all kinds; £15,418,582 for the army, including ordnance and all other military charges; and £11,168,949 for the navy. The customs revenue was derived—from duties

on sugar and molasses, amounting to £5,582,473; on tea, to £2,827,317; on coffee, to £390,161; on corn, meal and flour, to £869,323; on spirits, to £4,298,403; on wine, to £1,468,993. on tobacco and snuff, to $6,542,250; on other imported articles, to £581,481; and on miscellaneous receipts, to £104,580. The excise duties consisted of £10,511,530 derived from spirits, £6,302,419 from malt, £2,640,237 from licences, and £736,152 from other receipts. By an abstract of alterations of taxes from 1853 to 1867, it is found that taxes were repealed or reduced to the extent of £40,292,904, and were imposed to the extent of £28,448,596, causing at the end of 1867 an actual diminution to the extent of £11,844,308 sterling. The total value of imports during the past year was £275,249,853, or £9 2s. 6d. per head of population of the United Kingdom. The total value of exports (British, foreign and colonial produce) was £226,067,136, and the total value of imports and exports represented £16 12s. 5d. per head of the population. The actual receipts at the Exchequer fell short of the sum estimated in the budget by a sum of £369,782 and the actual payments out of the Exchequer (excluding fortifications) were less than those estimated in the budget (including supplemental votes) by £50,785.

ASSISTANT TREASURER'S STATEMENT FOR AUGUST.

The following is the official statement of the business of the office of the Assistant Treasurer of the United States, in New York, for the month of August 1868:

RECEIPTS AND DISBURSEMENTS.

Balance, July 31, 1868		$80,133,185 54
Receipts during the month:		
On account of customs	$12,263,883 91	
do Gold notes	9,075,920 00	
do Internal revenue	239,632 47	
do Three per cent. Certificates	12,835,000 00	
do Post-office Department	880,933 45	
do Transfers	17,251,000 00	
do Patent fees	3,089 80	
do Miscellaneous	4,580,446 53	
do Disbursing accounts	24,130,294 83	
do Assay office	1,341 35	
do Interest accounts	41,722 30—	81,253,234 64
Total		$161,386,420 00
Payments during the month:		
Treasury drafts	$50,337,076 99	
Post-office drafts	253,163 85	
Disbursing accounts	21,827,453 71	
Assay-Office	149,104 89	
Interest accounts, viz.:		
In coin	1,222,446 79	
In currency	41,722 30—	73,830,963 03
Balance		$87,555,452 17
Balance to Cr. Treasurer U. S	$70,168,120 14	
Balance to Cr. disbursing accounts	15,058,596 60	
Balance to Cr. Assay office	2,328,735 43	
Receipts for Customs in the month of August, 1868		$12,263,883 91
Receipts for Customs in the month of August, 1867		12,903,740 08
Decrease for August, 1868		$639,856 17

UNITED STATES ASSAY OFFICE FOR AUGUST.

Below we give the statement of business at the United States Assay Office at New York for the month ending August 31, 1868:

DEPOSITS OF GOLD.

Foreign coin	$8,900 00	
Foreign bullion	144,100 00	
United States bullion	1,302,500 00	$1,455,500 00

DEPOSITS OF SILVER, INCLUDING PURCHASES.

Foreign coins	$4,000 00	
Foreign bullion	13,500 00	
United States bullion (contained in gold)	12,500 00	
Montana	3,500 00	
Colorado	16,500 00	
Lake Superior	2,000 00	
Nevada	18,500 00	$70,500 00
Total deposits, payable in bars	$1,426,000 00	
Total deposits, payable in coins	100,000 00	1,526,000 00
Gold bars stamped		1,142,785 25

SAN FRANCISCO TREASURE MOVEMENT FOR SIX MONTHS.

We have received from Thomas P. Kettell, the San Francisco *Commercial List* of July 18, containing a review of the trade of San Francisco for the six months ending June 30th, from which we extract the following:

The receipts of bullion, as reported by Wells, Fargo & Co., distinguishing that from Nevada, have been for six months in three years as follows:

	1866.	1867.	1868.
Nevada	$7,263,218	$9,341,949	$6,481,427
Northern mines	10,329,958	9,647,527	10,229,998
Southern mines	1,769,208	1,519,958	1,470,428
Coastwise	1,775,349	1,683,857	1,495,502
Total	$21,137,733	$22,193,291	$19,678,355

The great decline, as compared with last year, is in the Nevada product; but there has been an increase in the gold of the Northern California mines.

These are the returns of the express company which embrace nearly all the bullion that comes down. Much comes, however, in private hands, but which finds its way either to the mint, to the custom house or for export. These returns account for rather more than the express deliveries, as follows:

	1867.	1868.
Gold bars at mint	$7,701,902 11	$3,923,660 41
" " sent per steamer	9,582,510 16	11,046,824 64
" " " sail	348,193 45	384,852 72
Silver bars per steamer	5,453,851 00	6,170,797 77
" " sail	2,526,155 00	715,397 18
Total coined and shipped	$25,606,611 72	$22,226,532 92
Report Wells, Fargo & Co	22,193,291 09	19,678,355 00
Excess over reported receipts	$3,413,320 72	$1,568,177 92

This excess indicates the quantities that came down through irregular channels. It is obvious that these figures do not embrace the stocks of bullion on hand, as thus some $600,000 was shipped on the first week of July, which was on hand at the close of June; but the amount on hand January 1st was about the same as that held July 1st. Hence the figures give nearly the actual movement for the quarter. The official report of the exports of treasure, showing the destination, embraces the coin shipment with the bullion, and is not to be relied upon as an indication of the actual gold product of the coast.

The shipment of treasure for the six months, distinguishing the kinds of metals sent forward have been as in the following to tables, showing the description by each conveyance:

EXPORT OF TREASURE VIA PANAMA PER STEAMERS.

	Gold bars.	Silver bars.	Gold coin.	Totals.
Jan. 1	$757,788 18	$169,884 39	$67,083 01	$994,705 58
" 11	701,922 35	497,073 48	114,000 00	1,312,995 83
" 18	503,884 96	232,629 92	72,986 78	809,501 66
" 30	639,296 53	303,137 89	146,991 96	*1,093,161 88
Feb. 10	644,979 73	330,568 64	83,233 00	1,058,781 27
" 18	279,327 26	176,786 43	105,302 59	501,416 28
" 29	351,093 42	277,812 60	25,654 94	654,061 16
Mar. 5	374 009 00	100,009 67	.....	474,009 67
" 10	306,654 90	.....	55,353 17	362,008 07
" 18	460,035 49	223,763 95	21,000 00	704,799 44
" 25	303,000 00	.....	.....	303,000 00
" 31	553,745 32	380,993 06	19 682 00	953,820 38
Apr. 6	60,900 00	193,179 09	220,500 00	474,579 09
" 14	370,176 30	348,406 59	22,000 00	740,582 89
" 15	314,500 00	.....	.....	314,500 00
" 22	285,866 70	368,872 56	24,619 34	679,358 60
" 30	496,570 41	184,231 71	46,196 96	696,999 08
May 5	93,597 33	115,102 67	.....	208,700 00
" 6	426,318 34	135,304 43	49,260 25	610,883 02
" 14	584,305 25	376,270 01	46,245 16	1,006,820 52
" 20	.....	196,777 28	.....	196,777 28
" 22	536,935 68	113,376 65	26,184 06	676,496 39
" 30	626,364 35	415,360 11	30,573 54	1,072,298 00
June 5	.....	118,108 69	.....	118,108 69
" 6	526,928 72	76,953 86	18,500 00	622,382 58
" 13	387,107 66	447,364 04	10,000 00	†859,371 80
" 22	316,225 79	185,412 66	25,744 62	527,383 08
" 30	205,899 77	234,067 39	30,700 00	470,667 16
Total 6 months '68	$11,016,824 64	$6,170,797 77	$1,261,811 38	$18,498,169 29
Total 1867	9,582,540 16	5,452,871 85	1,766,188 78	16,801,600 79

EXPORT TO CHINA, ETC., PER STEAMERS AND SAIL VESSELS.

	Gold bars.	Silver bars.	Gold coin.	Mex. do lars.	Total.
Jan. 18	$111,700 10	$58,531 24	$29,832 00	$176,581 00	‡$378,844 34
" 18	1,100 00	.....	.....	.....	1,100 00
Feb. 19	.....	59,707 81	.....	.....	59,707 81
" 29	.....	107,463 11	.....	36,000 00	143,463 11
Mar. 7	43,089 87	.....	39,105 00	208,377 00	$291,159 47
" 14	.....	52,673 25	.....	41,174 00	93,847 25
" 19	.....	34,566 37	.....	.....	34,566 37
" 24	.....	35,104 05	.....	.....	35,104 05
Apr. 18	76,688 35	125,006 23	26,029 00	121,760 00	‖350,387 58
May 8	.....	.....	.....	1,000 00	1,000 00
June 3	141,978 00	191,628 16	69,883 25	225,384 00	**655,478 41
TO JAPAN.					
Jan. 13	.....	50,716 66	.....	154,642 50	205,359 16
June 3	.....	.....	.....	8,000 00	8,000 00
TO VICTORIA.					
Jan. 21	.....	.....	25,000 00	.....	25,000 00
Apr. 4	.....	.....	50,000 00	.....	50,000 00
TO SANDWICH ISLANDS.					
Feb. 8	.....	.....	25,000 00	.....	25,000 00
Mar. 17	.....	.....	25,000 00	.....	25,000 00
Total 6 mon's	$374,506 32	$715,397 18	$289,849 25	$972,918 50	$2,363,017 85
Total 1867	348,193 45	2,520,155 68	146,419 00	775,179 65	3,789,947 78

* $3,735 50 foreign gold coin included in total.
† $15,000 Mexican dollars included in total.
‡ $2,200 gold dust included in total.
§ $597 60 " " "
‖ $954 " " "
** $6,605 " " "

By recapitulation, the whole treasure exported has been as follows:

	Via Isthmus.	China, &c.	Total.
Gold bars	$11,046,824 64	$374,506 32	$11,421,330 96
Silver bars	6,170,797 37	715,397 18	6,886,194 95
Gold coin	1,261,811 38	289,849 25	1,551,660 63
Gold dust	.....	10,346 60	10,346 60
Mexican dollars	15,000 00	972,918 50	987,918 50
Foreign gold coin	3,735 50	.....	3,735 50
	$18,498,169 29	$2,363,017 85	$20,861,187 14
Duties, coin	4,028,521 37		4,028,521 37
Total			$24,889,708 51

There has been a great decline in the shipments of silver to China, mostly owing to the derangement of the exchanges there, in the attempt to change the customary usance on England. At the same time the opposition lines to the East greatly reduced the cost of treasure in that direction, and therefore not only reduced the quantity of silver sent to China but increased that sent to the East, at the same time reducing the quantity of silver to be refined in the local refineries, because only fine silver is sent to China, and crude bars are shipped East. The mines also produced less than last year. The gold production is arrived at by taking the official returns of all the bullion bars received. These are as follows for gold:

	1867.	1868.
Deposited at mint	$7,701,902 11	$3,928,660 41
Shipped per steamers	9,582,510 16	11,046,824 64
" steamers, dust	17,907 54	.....
" sail, China, etc	348 193 45	374,506 32
" sail, China, dust	.....	10,346 60
Total gold	$17,750,513 26	$15,349,991 37

This approximates the actual gold product by accounting for all the gold received.

The remittances of silver in the last six months, as compared with the corresponding six months of 1866 and 1867, were as follows:

	Per steamers.	To China.	Total
1866	$3,558,264	$2,107,356	$5,665,620
1867	5,453,851	3,520 155	7,974,006
1868	6,170,797	715,397	6,886,194

This rise and fall in the silver exports indicates the Nevada production. It is to be understood that the bars sent to China are fine, while those sent East are partly gold; hence the total value of the China shipments would be fifty per cent greater in unparted bars, or $3,780,232 last year, which with the Eastern shipments would make $9,234, 83 Nevada bars. This year the total value would be $7,243,8 2 showing a decline of $1,990,241 in Nevada bars, which is the measure of the diminished production in that region.

The coin movement for the same period has been as follows:

	1867.		1868.
Coinage	$7,701,902 11		$3,928,660 41
Shipped	1,926,561 98	1,566,660 63	
Duties	3,578,221 00	4,028,521 37	
	5,504,782 98		5,595,182 00
Excess coinage	$2,197,118 13		
Deficit coinage			$1,666,521 59

This small supply of coin has been the result of the low rates of transportation which have carried the bullion East. The movement of coin to and from the interior has been as follows:

	Sent inland.	From interior.	Surplus sent.
First quarter	$3,289,408	$1,497,619	$791,789
Second quarter	2,947,012	1,803 385	1,142,627
Total six months	$5,235,420	$3,301,004	$1,934,416
Total six months, 1867	4,724,573	2,554,859	2,169,714

The internal drain has not been quite so great as at the same time last year.

UNITED STATES DEBT.

The subjoined letter from the Secretary of the Treasury, shows the amount of the several gold-bearing loans of the United States outstanding July 1, 1868:

TREASURY DEPARTMENT, July 15, 1868.

In reply to your letter of 13th inst., inquiring the amount outstanding of various loans, I would respectfully state that on July 1, 1868, there was of—

Five per cent bonds, due 1871, outstanding				$7,022,000
Five	"	" " 1874,	"	20,000,000
Five	"	ten-forties outstanding		198,449,800
Six	"	bonds of 1847-8 outstanding		6,878,442
Six	"	" 1881	"	283,677,200
Six	"	five-twenties, Feb. 25, 1862, outstanding		514,771,600
Six	"	" June 30, 1864,	"	125,561,300
Six	"	" 1865, May and November, outstanding		197,777,250
Six	"	" 1865, consols, Jan. & July,	"	334,972,950
Six	"	" 1867, " "	"	161,123,900
Six	"	" 1868, " "	"	17,648,950
Total				$2,060,883,392

The 1865 consols, 1867's and 1868's cannot be definitely given, as these loans are being continually increased on account of the exchange of Seven-Thirty notes.

H. McCULLOCH, Secretary.

To Messrs. HENRY CLEWS & Co., New York.

Comparing the above with the Public Debt Statement of June 1 we notice the following changes:

	June 1.	July 1.
Ten-Forties	$193,790,400	*$198,449,800
Five-Twenties, 1862	514,780 500	514,774,600
Five-Twenties, 1864-'65-'67	979,975,100	1,022,435,400
Five-Twenties, 1868		17,6 8,250
Old Loans, 1847-8	8,582,642	6,87 ,442
Fives of 1871-74	27,022 000	27,022,000
Sixes of 1881	283,677,200	283,677,200
Total	$2,007,827,842	$2,060, 83,392

POSTAL CONVENTION BETWEEN GREAT BRITAIN AND THE UNITED STATES.

A Postal Convention has just been concluded between the United States and the British Post-office Department for establishing and regulating an exchange of mails between the United States, the Straits settlements and the British East Indies by means conjointly of the line of United States mail steamers plying between San Francisco and Hong Kong, and of the line of British mail packets plying between Hong Kong and Singapore, Calcutta, Madras, Bombay and Aden. Its leading provisions are as follows: On and after the 1st of November, 1868, (the date on which this Convention is to be carried into operation) the postage to be levied and collected in the United States upon correspondence of all kinds posted in the United States and addressed to the Straits settlements or the British East Indies for transmission by this route, will be ten cents per single rate of half ounce or under on letters; two cents each on newspapers, and eight cents per four ounces or fraction thereof on books, packets, patterns and samples. The correspondence thus prepaid in the United States will be delivered at the proper destinations in the British East India possessions free of all charges whatever. Pre-payment is obligatory on newspapers, book packets and patterns, but letters posted unpaid, or insufficiently paid, will, nevertheless, be forwarded and charged at

* Now within $1,550,200 of the authorized limit.

the place of destination in the Straits settlements or the British East Indies with a postage of ten pence (twenty cents) per single rate, together with a fine of sixpence (twelve cents). Paid correspondence of all kinds received from the Straits settlements and the British East Indies by this route will be delivered at the office of destination in the United States free of all charge whatever; but unpaid or insufficiently paid letters so received will be charged on delivery with a postage of ten cents per single rate of half an ounce or under, together with a fine of twelve cents each. No accounts will be kept between the respective post departments of the correspondence thus exchanged, each department retaining all the postage which it collects both on paid matter sent and unpaid matter received. New York and San Francisco are the offices of exchange on the side of the United States, and Singapore, Calcutta, Madras, Bombay and Aden are the exchange offices in the Straits settlements and the British East Indies.—*Washington Despatch.*

COMMERCIAL CHRONICLE AND REVIEW.

The Money Market—Rates of Loans and Discounts—U. S. Securities—Bonds sold at the New York Stock Exchange Board—Prices of Government Securities at New York—Course of Consols and American Securities at London—Closing prices of all the Railway and Miscellaneous Securities—Course of Gold—General Movement of Coin and Bullion at New York—Course of Gold at New York—Course of Foreign Exchange at New York.

August has been characterised by the usual ease in the money market The banks have held large amounts of idle funds, the deposits of the Western banks having perhaps been unusually large; and, with but a moderate demand for discounts, the supply on call has been very abundant at 3@4 per cent, with a brief interval at 4@5 per cent. About the 10th of the month there was a very active demand from the West, which continued for two weeks, causing a loss of about $10,000,000 of currency, chiefly national bank notes. This demand was to provide for the moving of the earlier grain crop in the more Southern sections of the West, and was followed by a suspension of remittances. The outflow of currency almost exhausted the supply of bank bills, but had little effect upon the loan market. The loanable resources of the banks, however, were undoubtedly largely curtailed, and the fact of the rate of interest on call loans not being enhanced was perhaps due to the banks anticipating a renewal of the Westward outflow in September, and holding themselves prepared for such a movement whenever it may occur. In August of last year the movement corresponded closely with that of last month, the banks sending a large amount of currency West from the 10th to the 25th of the month, after which the shipments fell off, and the rate of interest declined one per cent. But in September the outflow of currency was renewed, with the loss of a large amount of legal tender, and the advance of the rate of interest to seven per cent in gold toward the close of the month.

The following comparison shows the totals of the statements of the New York banks at the close of each week in August and at the close of August, 1867:

	August 8.	August 15.	August 22.	August 29.	Sept. 3, '67
Loans and discounts..	$279,755,756	$277,808,620	$275 245,781	$271,780,726	$24,787,[illegible]
Specie	24,784,427	22,953,850	19 768,681	16,949,108	7,271,5[illegible]
Circulation...	34,074 374	34,1 4.087	34,137.627	34,112,139	33,715,128
Deposite.....	231, 16,492	223,561,087	216,435,405	210,314,646	140,892,315
Legal Tenders	74,051,548	72,935,481	69,757,645	67,757,376	67,982,571

The following are the rates of Loans and Discounts for the month of August:

RATES OF LOANS AND DISCOUNTS.

	August 7.	August 14.	August 21.	August 28.
Call loans	3 @ 4	3 @ 4	4 @ 5	3 @ 4
Loans on Bonds and Mortgage	—@ 7	—@ 7	—@ 7	—@ 7
A 1, endorsed bills, 2 mos	6 @—	6 @—	6 @—	6 @—
Good endorsed bills, 3 & 4 mos	—@ 7	—@ 7	—@ 7	—@ 7
" " single names	7 @ 7½	7 @ 7½	7 @ 7½	7 @ 7½
Lower grades	8 @10	8 @10	8 @10	8 @10

The transactions in securiti s have exhibited rather more activity than in Ju'y. The speculative combinations upon the leading stocks having found it impracticable to effect long loans, so as to enable them to carry their stocks through the usual fall activity in money, appear to have turned their attention to distributing their load upon the market, and have been successful to a considerable extent, although at the expense of some reduction in prices. Late in the month the returning ease in the money market revived the spirit of speculation, and produced a general advance in the price of securities, further facilitating the distribution of stocks by the cliques; and at the close of August, railroad shares appear to have been much more generally held by brokers and the smaller class of operators than for some months past. The sa'es of the various clas-es of shares at both boards for the month aggregate 1,151,003 shares, which is an increase over the same period of last year of 18,227 shares, as may be seen in the following statement:

Classes.	1867.	1868.	Increase.	Dec
Bank shares	2,467	2,332	.....	135
Railroad "	931,606	1,003,925	72,319	.....
Coal "	4,854	2,421	.....	2,433
Mining "	18,920	6,700	.....	12,220
Improv'nt "	9,405	7,200	.....	2,205
Telegraph "	98,114	23,660	.....	74,454
Steamship "	33,666	33,957	291	....
Expr'ss&c "	33,744	70,808	37,064	....
Total—August	1,132,776	1,151,003	18,227	....
" —since January 1	14,663,626	12,813,389	.....	1,850,237

United States securities have exhibited very considerable speculative activity. The shipment of bonds to E rope continued during the earlier part of the month, and the total sent during July an l August is estimated at $25,000,000 to $30,000,000. These shipments have been almost wholly consignments upon speculation, and it yet remains to be seen whether they will be all ultimately distributed or some part w ll be returned; for the moment, however, this movement has the effect of taking off a large amount of bonds thrown upon this market by home investors, under apprehensions created by the agitation of financial questions. There has been considerable fluctuation in prices, encouraged by the operations of large dealers, who have alternately had to buy heavy amounts from dome tic holders and been able to sell freely to foreign bankers. The month closes with generally lower quotations, and apparently with large supplies in the hands of the larger brokers.

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1867.	1868.	Inc.	Dec.
U. S. bonds	$15,772,150	$29,432,650	$13,660,500	$.....
U. S. notes	4,458, 00	1,750	.....	4,456,450
St'e & city b'ds	1,973,500	8,205,900	6,232,400	.....
Company b'ds	728,000	989,. 00	261,500	.... ..
Total—August	$22,931,650	$38,629,800	$15,697,950	.....
" —since Jan. 1	123,256,990	248,770,120	125,513,130	.....

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of August as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, (5-20 yrs.) 1862.	6's, (5-20 yrs.) 1864.	6's, (5-20 yrs.) 1865.	Coupon new.	Coupon 1867.	Coupon 1868.	5's, 10-40 yrs. C'pn.
1	115⅝	....	113¾	111¼	112¾	108¼	109	....	108¼
3	115⅝	115¼	114⅜	110⅞	112¼	108⅜	108⅞	109	108⅜
4	115⅝	....	114¼	110⅞	....	108⅜	108⅞	108⅞	109
5	116	115⅝	114⅜	111	112⅜	108⅜	109	109	109¼
6	116	....	114⅜	110⅞	112⅜	108⅜	109	109	109⅜
7	115⅞	....	114⅜	....	112¼	108⅜	108½	108⅞	109¼
8	115⅜	....	114⅜	110¾	112⅜	108⅜	108⅞	109	108⅜
10	115⅞	115⅜	115	111	112⅜	109	109⅜	109	109⅜
11	115⅜	115⅜	114⅝	110⅜	112⅜	109	108⅞	109⅜	109⅜
12	115⅜	....	114⅜	110⅞	112⅜	109⅛	109⅜	109⅜	109⅜
13	115⅜	115⅜	114⅜	110⅜	112⅜	109⅜	109⅜	109⅜	109⅜
14	114⅜	....	114⅜	109⅞	112	108⅜	108⅜	109⅜	109
15	115	....	113⅜	....	111⅜	108	108	....	108⅛
17	....	....	113⅜	109⅜	111⅜	108	107⅜	107⅞	108⅜
18	114	....	113⅜	10 ⅜	111⅜	107⅜	107⅜	107⅜	108⅜
19	113⅞	....	113⅜	108⅜	110⅜	107⅜	107⅜	107⅜	108⅜
20	....	113	113⅜	108⅜	111⅛	107⅜	107⅜	107⅞	108⅜
21	....	113⅜	113⅜	108⅜	111⅜	107⅜	107⅜	108⅜	108⅜
22	113⅜	....	113⅜	109	111⅜	107⅜	107⅜	107⅜	108⅜
24	113⅜	....	113⅜	108⅜	111⅜	107⅜	107⅜	107⅜	108⅜
25	113⅜	113	113⅛	108⅜	110⅜	107⅜	107⅜	107⅜	108⅜
26	113⅜	113⅛	113⅜	109⅜	110⅜	108⅜	108⅜	108⅜	108⅜
27	114	113⅜	113⅜	109⅞	111⅜	108⅜	107⅜	108	108⅜
28	114⅛	114	114⅜	110	111⅜	108⅜	108⅜	108⅜	108⅜
29	114⅜	....	114⅜	110⅛	112	108⅜	108⅜	108⅜	108⅜
31	114⅛	114	114	109⅜	111⅝	108⅛	108	....	109
First	115⅜	115⅛	113⅜	111⅛	112⅜	108⅜	109	109	108⅛
Lowest	113⅜	113	113⅛	108⅜	110⅜	107⅛	107⅛	107⅛	108⅛
Highest	116	115⅛	115	111⅛	112⅛	109⅛	109⅛	109⅜	109⅛
Range	2⅞	1⅝	1⅞	2⅜	2⅛	1⅜	2	2⅛	1⅜
Last	114⅛	114	114	109⅜	111⅛	108⅛	108	108⅝	109

The closing prices of Five-Twenties at Frankfort in each week ending with Thursday, were as follows:

Aug 6.	Aug. 13.	Aug. 20.	Aug 27.	Month.
75⅛	75⅛	75⅛	75	75@75⅛

The closing prices of Consols for money and certain American securities (viz U. S. 6's 5-20's 1862, Illinois Central and Erie shares) at London, on each day of the month of August are shown in the following statement:

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon.	Am. securities. U. S. 5-20s	Ill.C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities. U.S. 5-20s	Ill.C. sh's.	Erie sh's.
Sat'day 1	94⅛	72	94⅝	43⅝	Saturday 22		(Holi	day.)	
Monday 3	94⅜	71⅞	94	42¾	Monday 24	94	71¾	91⅜	31¾
Tuesd'y 4	94⅜	71¾	93⅞	41	Tuesday 25	94⅛	71¾	91	31½
Wedn'y 5	94⅜	71½	92¾	37⅛	Wednesday 26	94⅛	71⅛	92	33
Thursday 6	94	71	91⅞	39	Thursday 27	94⅜	71⅜	91⅜	31¾
Friday 7	93⅞	71⅜	92⅜	38	Friday 28	94	71¾	91⅜	31¾
Sat'day 8	93⅞	71⅞	92⅜	37⅜	Saturday 29	94	72⅛	90⅜	31
Monday 10	94⅛	71⅞	92	37¾	Tuesday 31	93⅞	72	91⅜	30
Tu'sday 11	94	71⅞	92¼	37					
Wednesday 12	93⅞	72	92¾	37	Lowest	93⅞	71⅛	90⅜	30
Thursday 13	93⅞	71⅝	92	36⅜	Highest	94⅜	72⅛	94⅛	43⅝
Friday 14	94⅛	71⅜	92¼	36	Range	⅝	1	4⅛	13⅝
Saturday 15	94⅛	71⅜	92						
Mond'y 17	94	71¼	91⅜	34⅜	Low (Since Jan. 1)	91⅞	70⅜	84⅜	30
Tuesday 18	94	71⅛	91	33¾	Hig (Since Jan. 1)	96⅜	73⅛	102	50¾
Wedney 19	93⅞	71⅛	91	31⅜	Rng (Since Jan. 1)	4⅝	3⅜	17⅜	20⅜
Thurs 20	93⅞	71⅜	90½	31⅜	Last	93⅞	72	91½	30
Friday 21	93⅛	71¼	91	31					

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of July and August, 1868:

	July.				August			
—Railroad Stocks—	Open.	High.	Low.	Clos.	Open.	High.	Low.	Clos.
Alton & Terre Haut	40	46	40	44¼	....	....	....	....
do do pref.	66	68	66	67	....	....	....	....
Boston, Hartford & Erie	16	18⅞	16	18⅝	19⅛	24	18⅛	21⅛
Chicago & Alton	138	138	137	137⅛	136½	144	136	142
do do pref.	139½	139½	128⅝	138⅝	138⅝	145	138¼	145
Chicago, Burl. & Quincy	164	165	164	165	170	173	170	171
do & Gt Eastern	....	....	....	....	40	40	40	40
do & Northwest'n	73¼	84¾	73	82⅞	82¼	83¼	80	83¼
do do pref.	79¼	84¾	78¾	82¾	81½	83¾	79¾	83½
do & Rock Island	105½	110¾	105	110⅜	110¾	112⅜	97¼	101¾
Cleve., Col., Cin & Ind	90	90¾	88⅛	88¾	88	88	81	82
do Painesv. & Ashta	100¼	101	99	99¼	100	100	97½	98
do & Pittsburg	89¾	90	84¼	90	89¼	89¼	85	86¾
do & Toledo	103¼	104¼	102¾	103	102¾	102¾	98¼	101¾
Del., Lack & Western	118	118	118	118	118	120	118	119
Dubuque & Sioux city	75	78	75	78	72¾	72¾	72½	72½
Erie	70¼	71	67¾	68¾	68¾	68¾	45¾	48
do pref.	75	75¾	74¾	75	73¾	73¾	68	69
Harlem	123	124	123	124	....	....	....	....
do pref	124	124	122	122	....	....	....	....
Hannibal & St. Joseph	86	86	86	86	85¾	85¾	84	84
do do pref.	88¼	88¼	87	87	86	86	83	83
Hudson River	139¾	139¾	138	138¾	140	140	133	140
Illinois Central	158	159	144	151	151	151¾	142¾	144¾
Ind. & Cin innati	50	52	50	51¾	....	....	....	....
Joliet & Chicago	91	91	91	91	....	....	....	....
Mar. & Cincin., 1st pref.	28	29	28	29	28	28	28	28
do 2d pref.	10	10	10	10	....	....	....	....
Michigan Central	116¼	119	116¼	119	119¼	121	118	119
do S. & N. Ind.	92¼	93	88¾	88¾	88¾	88¾	82	84¾
Mil. & P. du Ch'n, 1st pr	105	106	104¾	106	106	107	106	107
do do 2d pr.	99	100	99	99¾	....	....	....	....
Milwaukee & St. Paul	66	77¾	65	76¾	76	77	69	76
do do pref.	78¾	85	78	83¾	84	84¼	79¾	83¾
Morris & Essex	65	65	65	65	63	64	63	64
New Haven & Hartford	....	....	....	....	213	225	213	225
New Jersey	128	128	128	128	....	....	....	....
do Central	124¾	124¾	120	120¾	121	121	118	119
New York Central	134¾	136¾	131¾	132¾	132¼	132¾	122¾	125¾
do & N. Haven	145	145	145	145	145	145½	143	143
Norwich & Worcester	92	92	92	92	91	91	91	91
Ohio & Mississippi	29¾	30¾	29	30¼	30¾	30¾	28½	28¾
do do pref	78¼	78¾	78¾	78¾	78¾	79	77¾	78
Panama	330	330	330	330	340	368	340	368
Pittsb., Ft. W. & Chica	110	110¾	106¼	110¼	110¾	110¾	105	108¼
Reading	101¾	101¾	94¼	94¾	94¾	95	88½	90½
Rensselaer & Saratoga	95¾	95¾	95¾	95¾	....	....	....	....
Rome & Watertown	110	110	110	110	....	....	....	....
Second Avenue	40	46¼	40	46¼	....	....	....	....
Stonington	80	80	80	80	80	80	80	80
Toledo, Wab. & Western	48¼	54¼	48¼	51¼	51	53¾	49	53¼
do do do pref	69	73¾	69	73¾	73	73	73	73
Miscellaneous—								
American Coal	....	....	....	....	45	45	45	45
Cumberland Coal	33	35	33	33	30	31	29	29
Del. & Hud. Canal Coal	140	142	130	131	1 1	131	119¼	127
Pennsylvania Coal	210	210	210	210	200	200	200	200
Pacific Mail	100	101¾	97¾	101¾	101¼	104¼	98¾	101¾
Atlantic do	29¾	29¾	28	28	15	19¾	15	19¾
Union Navigation	26¾	29¼	26¾	28¼	27	27½	17	27½
Boston Water ower	17	17	16	17	17¼	17¼	15½	15½
Canton	49	49	45	48¼	48	48	45¾	45¾
Cary Improvement	11¼	11¾	10	10	10¾	11¼	10¾	11
Brunswick City	9	10¼	8¼	8¾	8¾	8¾	8½	8½
Mariposa	4	4	4	4	....	....	....	....
do pref	8¾	9½	8½	9	7	7	7	7
Quicksilver	22¼	24	19¾	22¾	21½	22¼	20	21¾
Manhattan Gas	210	210	210	210	....	....	....	....
West. Union Telegraph	34¾	35¼	33¾	35¼	35	35	33	34¾
Bankers & Brokers Ass	106	106	96¼	99	99	105	99	105
New York Guano	4	4¼	4	4¼	....	....	....	....
Express—								
American	47½	48¾	44¼	45¾	45¾	45¾	40	41
Adams	53	54	51¾	52¾	52¾	53	46	48
United States	48¾	49¾	45¾	46	46	46½	41	42¾
Merchant's Union	25¾	25	23	24¾	24¾	24¾	18¾	21
Wells, Fargo & Co	25¾	27¾	24¼	27	26¾	27¾	24¾	24¾

The course of the gold premium has fluctuated widely. The month opened with a very strong feeling caused by fears of a commercial drain of gold to Europe and by the anticipation of election excitement, carrying the price up to 150 during the first week of the month When the large extent of our shipments of bonds became understood, the upward tendency abated, and parties holding largely for a further rise became sellers, being satisfied that the irregularities of the foreign trade movement were largely set off by the export of securities The specie movement of the month has been of a somewhat irregular character. The receipts from California were $736,853 below those of August, 1867; but, *per contra*, we have received from foreign ports $335,833 more than last year, while the Treasury has paid $601,380 in the way of interest more than then, and has disbursed $372,150 in the payment of bonds of 1847 and 1848. The Alaska purchase money, $7,200,000, on being paid to the agents of the Russian government, went into one of the banks, and of the total amount over $6,000,000 was remitted in the form of bills, thus augmenting the supply of coin on the market. As will be seen from a subjoined statement, the supply on the market for August was $19,537,153 in excess of that of 1867. In the same month of last year, however, there was $8,939,720 received from unreported sources, chiefly from Treasury sales; while no supply whatever came from that source last month. The exports of specie for the month was $1,559,776 in excess of that of August, 1867. The amount of specie in the banks at the close of the month was $9,677,513 in excess of that at the same period of 1867.

The following formula will show the movement of coin and bullion during the month of August, 1867 and 1868, comparatively:

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1867.	1868.	Increase.	Decrease
In banks, near first	$8,738,094	$20,502,737	$11,764,643	$.....
Receipts from California	3,907,100	3,230,247	..	736,853
Imports of coin and bullion	492,000	827,833	335,833	.....
Coin interest paid	621,067	1,222,447	601,380	.....
Redemption of loan of 1847-'48	.....	372,150	372,150	.....
On account of Alaska purchase	.....	7,200,000	7,200,000	.....
Total reported supply	$13,818,261	$33,355,414	$19,537,153	$.....
Exports of coin and bullion	$2 639,178	$4,198,954	1,559,776	$.....
Customs duties	12,903,740	12,263,884	.....	639,856
Total withdrawn	$15,542,918	$16,462,838	$919,920	$.....
Excess of reported supply	$.....	$16,892,576	$16.892,576	$.....
Excess of withdrawals	1,724,657	.....	.....	1,724,657
Specie in banks at end	7,271,595	16,949,108	9,677,513	.....
Derived from unreported sources	$8,996,252	$56,532	$.....	$8,939,720

The following exhibits the fluctuations of the New York gold market in the month of August, 1868.

COURSE OF GOLD AT NEW YORK.

Date.	Open'g	Lowest.	High'st.	Closing.	Date.	Open'g	Lowest.	High'st.	Closing
Saturday 1	145⅛	144⅝	145⅜	145⅛	Saturday 22	144	143⅞	144⅜	144⅛
Monday 3	145⅜	145	145⅝	145⅜	Monday 24	144⅝	144⅛	145⅜	145⅛
Tuesday 4	145⅜	145⅝	146⅜	146⅛	Tuesday 25	145⅞	144⅜	146	144⅞
Wednesday 5	147¼	147	148¼	148	Wednesday 26	144¼	144	145	145
Thursday 6	149⅜	148⅜	150	148⅜	Thursday 27	144⅜	144⅜	14 ⅛	144⅞
Friday 7	148⅛	147⅜	148⅛	147⅜	Friday 28	145⅛	144⅛	145⅛	145
Saturday 8	147⅜	147	147⅞	147⅛	Saturday 29	144⅞	144⅛	145	144⅞
Monday 10	146⅛	146⅛	147⅛	146⅝	Monday 31	145	144⅛	145	144⅝
Tuesday 11	146	145⅝	146⅜	146⅛					
Wednesday 12	146⅜	146⅛	146⅞	146⅝	Aug... 1868	145⅛	143⅛	150	144⅝
Thursday 13	147⅛	147⅛	147⅜	147⅛	" 1867	139⅞	139⅞	142⅛	141⅜
Friday 14	147⅞	146⅞	148	146⅜	" 1866	149	146⅛	152⅛	147⅜
Saturday 15	146⅛	146⅜	146⅞	146⅜	" 1865	144½	140⅜	145⅜	144⅜
Monday 17	147⅛	146⅛	147⅛	146⅛	" 1864	255	231⅛	261⅛	238
Tuesday 18	146⅜	145⅞	146⅜	145⅞	" 1863	129¾	122⅛	129¾	127⅛
Wednesday 19	145⅞	144⅞	145⅞	145⅞	" 1862	115⅛	112⅜	116⅛	115⅜
Thursday 20	144⅜	143⅛	144⅞	143⅜					
Friday 21	143⅞	143⅞	144⅜	144⅛	Price Jan 1, 1868	133⅛	133⅛	150	144⅝

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of August, 1868:

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1	110 @110¼	513¾@	41¼@....	79¼@80	36¼@36¼	72 @72¼
3	110 @110¼	515 @513¾	41¼@41¾	79¾@79¾	36¼@36¼	71¾@72
4	110 @110¼	515 @513¾	41¼@41¾	79¾@79¾	36¼@36¼	71¾@72
5	110 @110¼	515 @513¾	41¼@41¾	79¾@79¾	36¼@36¼	71¾@72
6	110 @110¼	515 @513¾	41¼@41¾	79¾@79¾	36¼@36¼	71¾@72
7	110 @110¼	515 @513¾	41¼@41¾	79¾@79¾	36¼@36¼	71¾@72
8	109¾@110	515 @514¾	41¼@41¾	79¾@79¾	36¼@36¼	71¾@72
10	110 @	514¾@513¾	41¼@41¾	79¾@79¾	36 @36¼	71¾@72
11	109¾@109¾	515 @514¾	41¼@41¾	79¾@79¾	36 @36¼	71¾@72
13	109¾@	516¼@514¾	41¼@41¼	79¾@79¾	.. @....	71¾@72
13	109¾@109¼	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@73¼
14	109¾@109¼	517¾@516¼	41 @41¼	79¼@79¾	36 @36¼	71¾@71¾
15	109¾@109¼	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
17	109¾@109¼	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
18	109¾@1 9¼	517¾@51 ¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
19	109¾@109¼	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
20	109¾@109¼	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
21	109¼@10 ¾	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
22	109¼@109¾	517¾@515¾	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
24	109¾@109¾	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
25	109¾@109¾	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
26	109¼@109¾	517¾@516¼	41 @41¼	79¾@79¾	36 @36¼	71¾@71¾
27	109¾ @109¼	518¾@517¾	40¾@40¾	79¼@79¾	35¾@35¾	71¾@71¾
28	109 @	518¾@517¾	40¾@40¾	79¾@79¾	35¾@35¾	71¾@71¾
29	109 @	518¾@517¾	40¾@40¾	79¾@79¾	35¾@35¾	71¾@71¾
31	108¾@109¼	518¾@517¾	40¾@40¾	79¾@79¾	35¾@35¾	71¾@71¾
Aug., 1868	108¾@110¼	518¾@513¼	40¾@41¾	79¼@80	35¾@36¼	71¾@72¼
Aug., 1867	109¼@110¾	518¾@512½	40¾@41½	78 @79¼	35¾@36½	71¾@72½

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of Augu t and 1st of September, 1868:

DEBT BEARING COIN INTEREST.

	Aug st 1.	September 1.	Increase.	Decrease.
5 per cent. bonds	$221,588,400 00	$221,588,400 00	$	$ .....
6 " 1881	283,677,300 00	283,677,300 00	.....	.....
6 " (5-20's)	1,583,106,100 00	1,591,226,050 00	88,119,950 00	.....
Total	2,088,371,800 00	2,096,491,750 00	8,119,950 00	.....

DEBT BEARING CURRENCY INTEREST.

6 per ct. (RR) bonds	$32,210,000 00	$35,314,000 00	$3,104,000 00	$.....
3-y'ars com. int. n'tes	21,604,890 00	10,595,410 00	.....	11,009,480 00
3 p. cent. certificates	50,000,000 00	62,205,000 00	12,205,000 00	.....
Navy Pen. F'd 3 p.c.	13,000,000 00	13,000,000 00	.....	.....
Total	116,814,890 00	121,114,410 00	$4,299,520 00	.....

MATURED DEBT NOT PRESENTED FOR PAYMENT.

7-30 n. due Aug. 1, '67, J'e & J'y 15, '68	$8,433,800 00	$4,650,000 00	$.....	$3,783,800 00
6 p. c. comp. int. n'es	6,013,910 00	5,033,490 00	.....	980,420 00
B'ds of Texas ind'ty	256,000 00	256,0 0 00	.....	.....
Treasury notes (old)	154,511 64	154,111 64	.....	400 00
B'ds of Apr. 15, 1842, Jan 28, 1847 & Mar 31, 1848	1,923,941 80	1,258,200 00	.....	667,741 80
Treas. n's of Ms. 3,63	55 ,492 00	555,492 00	.....	.....
Temporary loan	746,520 00	744,920 00	.....	1,600 00
Certifi. of indebt'ess	13,000 00	13,000 00	.....	.....
Total	18,099,175 44	12,665,213 64	$.....	5,433,961 80

DEBT BEARING NO INTEREST.

United States notes	$356,021,073 00	$356,021,073 00	$.....	$ .....
Fractional currency	31,867,818 37	31,702,218 37	.....	65,600 00
Gold certi. of deposit	22,414,000 00	25,161,620 00	2,747,620 00	.....
Total	410,302,891 37	412,984,911 37	2,682,020 00	.....

RECAPITULATION.

	$	$	$	$
Bearing coin interest	2,088,371,800 00	2,006,491,750 00	8,119,950 00	.....
Bearing cur'y interest	116,814,890 00	121,114,410 00	4,299,520 00	.....
Matured debt	18,099,175 44	12,665,213 64	.....	5,433,961 80
Bearing no interest	410,302,891 37	412,984,911 37	2,682,020 00	.....
Aggregate	2,633,588,756 81	2,643,256,285 01	9,667,528 20	.....
Coin & cur. in Treas	110,054,276 14	107,641,971 98	.....	2,412,304 16
Debt less coin and cur	2,523,534,480 67	2,535,614,313 03	12,079,832 36	.....

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

COIN AND CURRENCY IN TREASURY.

Coin	$83,409,917 93	$92,570,901 21	$9,160,983 28	$.....
Currency	26,644,358 81	15,071,070 77	.....	11,573,287 44
Total coin & curre'y	110,054,276 14	107,641,971 98	.....	2,412,304 16

The annual interest payable on the debt, as existing August 1, and September 1, 1868 (exclusive of interest on the compound interest notes), compares as follows:

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.

	August 1.	September 1.	Increase.	Decrease.
Coin—5 per cents	$11,079,420 00	$11,079,420 00	$	$.....
" 6 " 1881	17,020,638 00	17,020,638 00	.....	.....
" 6 " (5-20's)	94,983,366 00	95,473,563 00	487,197 00	.....
Total coin interest	$123,086,424 00	$123,573,621 00	$487,197 00	$.....
Currency—6 per cents	$1,932,600 00	$2,118,840 00	186,240 00	.....
" 3 "	1,890,000 00	2,256,150 00	366,150 00	.....
Total currency inter't	$3,822,600 00	$4,374,990 00	552,390 00	$.....

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Stolen Fifty Dollar Bank Notes of the First National Bank of New Jersey.—Returns of the New York, Philadelphia and Boston Banks.

A very important question of law has been raised the past month by the discovery of one of the fifty dollar bank notes of the First National Bank of Jersey City, which was stolen from the Department at Washington before it was signed by the officers of the bank. The thief, or one of his confederates, has forged the requisite signatures, and the note, after passing probably through the hands of ten thousand innocent holders, has at length been stopped. It was deposited in one of our city banks, forwarded to the Jersey bank for redemption, and so was detected. Now the question arises who is to lose the amount. Is the Jersey bank, on which the note was forged to make it good? Or must the last holder to whom it can be traced bear the loss? Or is the burden to fall on the Department through whose negligence or misfortune the theft was made and the loss in the first instance incurred?

In some form these questions will be submitted to the courts, and how they

will be decided we do not presume to affirm. There are, however, one or two other questions on which we will inform our readers. The first is, as to the amount of such stolen national notes which are in circulation. If this point is incapable of being ascertained, the public confidence in the National Bank currency will be very much shaken, for the people in general cannot tell whether the signatures are forged, and no one will know how to distinguish the spurious notes from the true one. Even at the Department itself the discrimination can scarcely be made if, as is not impossible, the numbers of the notes have been altered. Moreover, it makes a great difference to the public whether or no the aggregate amount of these stolen notes is large, of what denominations they are, and on which of the 1,639 National Banks the forgeries have been done. In the last annual report of the Comptroller of the Currency we find the following statement of the whole case. We quote from page 3:

It is an unpleasant task, but nevertheless the performance of a duty, to submit the following statement relative to the abstraction at various times of unfinished national bank notes:

In the summer of 1864 it was ascertained that packages of notes forwarded to certain Western banks were each found to be short of the required amount by one impression (a sheet containing four notes). This happened at intervals for several months. Then, for nearly a year, no losses occurred. But in the fall of 1865, impressions began to be missed from the packages of notes in the counting room of the office; and in December a package containing $4,500 in fifty and one hundred dollar notes of the National City Bank of Lynn, Massachusetts, was missed. From this time there was a cessation in the thefts, until about the first of May last, when a package containing $12,000 in fifties and hundreds of the First National Bank of Jersey City, New Jersey, was stolen.

At each of the periods when these frauds took place, investigations were instituted, and diligent efforts were made to discover the perpetrator, but without success. The last robbery was discovered almost immediately upon its taking place, and vigorous measures were at once taken to detect and bring the guilty party to justice. There is reason to believe the effort was not unsuccessful, as a man who had been employed in the counting room from the time of its first organization, in a confidential capacity, was arrested and upon examination before the proper authorities, held under bonds until the next session of the grand jury of the District. As this has not yet taken place, the case is still pending; it is, therefore, not deemed expedient to enter more into details at present, as the whole matter is in a fair way to be investigated by the Criminal Court.

A full official list of the stolen impressions is appended to the report, which is as follows:

Impressions *	Designation and name of Bank.	Plate.				Bank Number.	Treasury Number.	Amt.
1.	First, Peru, Ill	5	5	5	5	1	18,565	$20
1.	First, Bacon, Ill	5	5	5	5	1,201	894,600	20
1.	First La Salle, Ill	5	5	5	5	1,962	211,586	20
1.	First, Canton, Ill	5	5	5	5	1,144	996,281	20
1.	First, Canton, Ill	5	5	5	5	1,145	696,282	20
1.	First, Centre ville, Iowa	5	5	5	5	2,100	45,134	20
1.	First, Milwaukee, Wis	5	5	5	5	2,327	817,016	20
1.	First, Washington, Iowa	5	5	5	5	343	834,067	20
1.	Mechanics', Chicago, Ill	10	10	10	20	900	149,179	50
1	Appleton, Lowell, Mass	5	5	5	5	3,000	310,144	20
1.	Merchants', Milwaukee, Wis	5	5	5	5	993	....	20
1.	Sussex, Newton, N. J	5	5	5	5	1,565	463,539	20
1.	Mechanics', Boston, Mass	5	5	5	5	2,553	404,244	20
1.	Central, Cherry Valley, N. Y	10	10	10	10	188	493,897	40
1.	Importers' & Traders, N Y	10	10	10	10	3,835	507,843	40
1.	Washington, Boston, Mass	5	5	5	5	7,904	....	20
1.	Tremont, Boston, Mass	5	5	5	5	3,466	....	20
1.	Atlantic, Boston, Mass	5	5	5	5	8,000	....	20
1.	Revere, Boston, Mass	5	5	5	5	1,422	....	20
1.	Tioga, Owego, N. Y	5	5	5	5	905	....	20
1.	Lee, Lee, Mass	5	5	5	5	3,601	....	20

Impressions.	Designation and name of Bank.	Plate.				Bank Number.	Treasury Number.	Amt.
1....	First, Knightstown, Ind	5	5	5	5	419	....	20
1....	Nat. State B'k, Lafayette, Ind	5	5	5	5	1	....	20
1....	Salem Nat. Bank, Co., N. J	5	5	5	5	1,500	....	20
1....	Mech. & Farm., Albany, N. Y	5	5	5	5	1,734	....	20
1....	Savannah N. B'k, Savannah, Ga	5	5	5	5	1,999	....	20
1....	Pacific, New York	5	5	5	5	500	....	20
1....	Chicopee, Springfield, Mass.	5	5	5	5	3,767	....	20
1....	Nat. Union, Kinderhook, N. Y	5	5	5	5	1	....	20
1....	Norwalk, Norwalk, Ohio	5	5	5	5	2,300	....	20
1....	Metacomet, Fall River, Mass	5	5	5	5	10,064	....	20
1....	Nat B'k of Republic, N. Y	5	5	5	5	646	....	20
1....	Third, Baltimore, Md	5	5	5	5	6,152	....	20
1....	Third, Baltimore, Md	5	5	5	5	6,167	....	20
1....	Washington, Westerly, R. I	5	5	5	5	660	....	20
1....	Mechanics', Newark, N. J	10	10	10	10	1	....	40
1....	Peoples', Pittsburg, Pa	10	10	10	20	4,840	....	50
1....	Rockport, Rockport, Mass	10	10	10	20	742	....	50
1....	Newark City, Newark, N. J	..	..	50	100	213	....	150
30....	Nat. City Bank, Lynn, Mass.	..	..	50	100	121–150	66,796–66,825	4,500
80....	First, Jersey City, N. J	..		50	100	671–750	19,609–19,688	12,000
	Total amount							$17,560

Such is the whole story. When properly understood it is calculated to reassure the public mind. For, in the first place, the aggregate amount is small, only $17,560 altogether. Secondly, the denomination of the notes and the banks are known, and, we trust, will be widely promulgated, and finally the Government is, perhaps, responsible to an innocent holder. For the bills were all finished so far as the Government endorsement is concerned, and it was while in the possession of the Government officers that they were stolen. It is obviously of the most pressing necessity that no cloud should rest upon the credit of the national currency. The principle involved in this case is vastly wider and more far-reaching in its scope than would appear from the somewhat trivial incident out of which it has arisen.

Below we give the returns of the Banks of the three cities since Jan. 1:

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
January 4..	$243,741,297	$12,724,614	$34,134,392	$187,070,786	$62,911,201	$483,266,304
January 11..	245,170,723	19,222,856	34,094,137	194,835,525	64,753,116	553,884,525
January 18 ..	256,033,938	23,191,867	34,071,006	205,883 143	66.155,241	619,797,369
January 25 ...	258 392,101	25,106,800	34,0 2,762	210,093,084	67,154,161	528,503,223
February 1...	266,415 613	23,955,320	44,662,521	213.330,524	65,197,153	637,449,923
February 8..	270,555,356	22,823,372	34,096,834	217,844,518	55,846,259	597,242,595
February 15 ..	271.015,970	24,192,955	34,043,296	216,759,823	63,471,762	550,521,185
February 21...	267,763,643	22,513,987	34,100,023	209,095,851	60,86?,9?0	452,421,592
February 29 .	267,240,678	22,091,642	34,0 6,223	208,651,578	58,553,607	705,109 784
March 7.....	269,156,636	20,714,293	34,153 957	207,737,080	57, 17,044	619,219,598
March 14.....	266,816,0?4	19,744,70?	34,218 881	201,188,470	54,?78,866	691,277,641
March 21.....	261,4?6.900	17.944,308	34,212,571	191,191,526	52,?61,086	649,482,341
March 28 . ..	257,378,247	17,323,367	34,190.808	186,525,128	52 123,078	557,843,908
April 4	254,287,891	17,077,299	34,227,108	280,956,846	51,709,706	567,783,138
April 11.....	252,936,725	16,343,150	34,194,272	179,851,880	51,982,609	493,871,451
April 18.....	254,817,936	16,776,542	34,218,581	181,832,523	50,?33,660	623,713,923
April 25.....	252,314,617	14,943,547	34,227,624	180,307,489	53,866,757	5 2,784,154
May 2.....	257.623,672	16,166,373	34,114,843	191.206,235	57,863,599	588,717,822
May 9.....	265,755,883	21 286,910	34,205,409	199,276,568	57,541,?27	5?7,028,567
May 16.....	267,724,783	20,939,142	34,193,249	201,313,305	57 613,095	480,186,908
May 23.....	267,381,279	20,479,947	34,?83 ?38	202,507,550	62,233,102	4?8,73?,142
May 30.....	268,117,490	17,861,088	34,145,606	20?,746,964	65,633,964	6?2,118,248
June 6.....	273.792,?67	14,328,531	34,188.159	209,089,655	68,8?2,024	640,663,329
June 13.....	275,142,024	11,193,631	34,166,846	210,670,765	69.202 840	530.328,197
June 20	274,?17,6?8	9,124,830	34,119,120	211.484,387	72,567,58?	553,9?3,817
June 27.....	276,504. 36	7,753,300	34,048,721	214,302,207	73,853,3?3	516,726 0?5
July 3.....	281,945,931	11,954,730	34,03?,4?6	221,050,806	72.125,939	525,646,6?3
July 11.....	284,147,708	19,235,348	34.068,202	224,320,141	68,5??,5?2	6?1,?56,3?5
July 18.....	282,912,490	20,399,031	34,004.111	228,180,749	7?,847,545	505,462,464
July 25.....	280,345,?55	20,804,101	33,963,373	2?6,761,662	72.?5,58?	487,169,387
August 1	279,311,657	20,502,737	33,957,305	223,104,867	73,?38, 61	409, 34,169

* Date of theft of the first was Sept. 18, 1864 and the last in 1867.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag.clear'gs.
August 8	279,705,786	24,784,427	31,074,374	231 716,493	74.051,548	587 004,381
August 15	277.808,620	22,953,550	34,104,087	223,561,087	73 9 5,481	482,533,952
August 22	275,345,781	19 768,681	34,137,627	216,435,405	69,757,645	610,308,551
August 29	271,780,726	16,949,108	34,112,139	210,334,646	67,757,376	480,785,665

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 4.....	$16,782,432	$52.00 .304	$235,912	$10,639,000	$36.621.274
January 11.....	16,087,995	52,593,707	400,615	10,639,096	37,131,830
January 18.....	16,827,423	53,013,196	320,973	10,641,752	37,457,089
January 25.....	16,836,937	52,325,599	279,393	10,645,226	37,312,540
February 1.....	17,064,184	52,604,916	248,673	10,638,927	37,922,287
February 8.....	17,063,716	52.672,448	287,878	10,635'926	37 396,653
February 15...	16,949,944	52,532,946	263,157	10,662,328	37.010,520
February 22...	17,573,149	52,423,166	204,929	10,632,495	36,453,464
February 29...	17,877,877	52,459.757	211,365	10,634,484	35,798,314
March 7.....	17,157,954	53,081,665	232,180	10,633,713	34,826,861
March 14..	16,662,299	53,367,611	251,051	10,631,399	94,523,550
March 21	15,664.946	53,677,337	229,518	10,643,613	33,836,996
March 28.....	14,348,391	53,450,878	192 858	10,643,606	32,428,390
April 4.....	13,208,625	52,209,284	215,835	10,642,670	31,278,119
April 11...	14,194,385	52,256,949	250,240	10 640,932	32,255 671
April 20..... ...	14,493,287	52,989,780	222,229	10,640,479	33,950,952
April 27	14,951.106	52,812 623	204,699	10,640,312	34,767,290
May 4..	14,990,831	53,333,740	314,366	10,631,044	35,109,937
May 11....	15,166,017	53,771,794	397,778	10,629.0 5	36,017,596
May 18.....	15,381,515	53,491,583	3 3,525	10,632,665	36,030.063
May 25....	15,823,099	53,463,225	280,302	10,661,276	36,000,297
June 1..... ..	16,184,865	53,562,449	239,371	10,626,937	36,574.457
June 8...	16,073,308	53,491 364	226,581	10,630 945	42,910,499
June 15.....	15,837,117	53,122,521	175,308	10,630,979	43,016,968
June 22.....	15,993,145	53,381,820	182,711	10,631,220	43,243,562
June 29.....	16,414,877	53,072,878	198,563	10,630,307	43,936,629
July 6.....	16,443,153	53,653,471	223,996	10,625,426	44,824,398
July 13.....	16,664,232	53,791,596	182,524	10,626,214	45,156,620
July 20.....	16,747,440	53,994,618	188,252	10,647.852	45,637,975
July 27	16,855,894	54,024,355	195,886	10,622.247	45,5 3,220
August 3..... .	17,402,177	54,341,163	187,281	10,623 646	47 205,867
August 10..... .	17,792,508	54,592,015	184.007	10,622,751	45,04 ,718
August 17....	17,819,300	54.674,758	196,530	10,634.772	46,636,377
August 24.....	17,~14,195	55,151,724	185,186	10,623.360	45,985,616
August 31.....	17,516,325	55,255,474	182,268	10,622,581	46,063,150

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation— National.	Circulation— State.
January 3	$34.960,249	$1,466,246	$15,543,169	$40,856,022	$24,636.559	$228,730
January 13	97,800,239	1,276,987	15,560,965	41,496,320	24,757,965	227,953
January 20	97,433,463	926,942	15,832,769	41,904,161	24,700,001	217,372
January 27	97,433,435	841,196	16,349,637	43,991,170	14,564,106	226,258
February 3	96,895,260	777,627	16,738,229	42,891,128	24,628.103	221,560
February 10	97,973.916	652,939	16,497.643	42.752,067	24.850,926	221,700
February 17	98,218,828	605,740	16.561 401	41 502,550	24,850,055	220,452
February 24	97,469,436	616,953	16,309,501	40,387,614	24,686,212	216,490
March 2.....	100,243,692	633,332	16.304,846	40,954,936	24,876,089	2 5,214
March 9.....	101,559,361	867,174	15,556,696	39,770,418	24.987,700	210,162
March 16.....	101,499,611	918,485	14,582,342	39,276,514	25,002,418	197,720
March 23...	100,109,595	798,606	13,712,560	37,022,546	25,094,253	197,289
March 30.	99,132,268	685,034	13,736,032	36,184,640	24,983,417	197,079
April 6.....	97,020,925	731,540	13,004,924	36,008,157	25,175,194	168,023
April 13.....	97,850,280	873,487	12,522,035	36,422,929	24,213,014	167,013
April 20.....	98,906,805	805,486	11,905,603	36,417,890	24,231,058	166,962
April 27....	98,302,343	577,163	12,2 8.545	36,259,946	25,231,978	164,331
May 4.....	97,624,197	815,469	12,656,190	37,635,406	25,208,234	160,385
May 11.	97,332,283	1,132,668	11,962,368	37,358,776	25,225,173	145,248
May 18.....	96,938,524	1,186,881	12,199,422	37,844,742	25,234 465	160,241
May 25.	97,041,720	1,018,809	12,848,141	38,398,142	25,210,660	160,151
June 1.....	97,458,997	766,553	14,188,806	40,811,569	25,204,939	159,560
June 8.....	98 116,632	631,149	14,368,900	41,470,376	25,194,114	159,313
June 15.....	99,513,988	561,990	14,373,575	41,738,706	25,190,565	159,150
June 22...	99,389.632	476,433	14,564,614	42,583,871	25,197,317	158,908
June 29	99,477,074	436,699	15,195,550	42,506,316	25,182,920	158,812
July 6.....	100,110,830	1,617,638	15, 7,307	43,458,654	25,214.100	144,689
July 13.....	101.493,516	1,198,529	15,743,211	43,116,765	25,216,184	141,538
July 20.....	102,430,433	1,521,393	15,469,406	43,876,300	25,21 ,7.7	135,799
July 27.....	102.408,771	785,641	15,837.748	43,580,894	25,254,906	142,450
August 3..... ...	102, 80 658	756,254	15,796,059	43,389,523	25,016, 92	.....
August 10.	103,860,686	634,963	15,753,958	44,962,269	25.197,164	.....
August 17.....	103,956,603	664,696	15,554,580	43,702,501	25,182.658	.....
August 24.....	103,6 4,691	779,192	16,310,323	42,360,049	25,214.5 6	.....
August 31.....	103,550,020	767,819	15,843,796	41,214,607	25,190,091	.....